

The NATIONAL UNDERWRITER

Put yourself in this CLASS...



Enroll now for North America's School for Agents!

Enrollment is open to Agents of any of the North America Companies—their associates or employees—men or women. A new 8-weeks class starts on May 24, 1950, at the Head Office in Philadelphia.

This comprehensive course covers Fire, Marine and Casualty insurance. It gives you what you've been looking for—answers many of the problems you'll meet. One Agent says: "I believe that the two months required for the completion of this course is worth *two years* of practical training."

Apply now for the May class of North America's School for Agents. The North America Service Office Manager or Fieldman in your territory will be glad to give you details.



INSURANCE COMPANY OF
NORTH AMERICA
COMPANIES, *Philadelphia*

Insurance Company of North America • Indemnity Insurance Company of North America • Philadelphia Fire and Marine Insurance Company

THURSDAY, APRIL 20, 1950

YOU HAVE *World-wide* PROTECTION...



...but **DO YOUR CLIENTS** *know* IT?



Suppose you are an agent in a medium-sized city. You enjoy a happy business relationship with local manufacturers—hold the coverage on their local plants.

BUT—suppose they have branch plants or equipment in foreign countries—in Sweden, Australia, Peru, India, or elsewhere . . . You may lack this coverage for the sole, simple reason that these manufacturers do not know you can supply it!

More and more agents are coming to understand that, through American Foreign Insurance Association, they “stock” world-wide protection in their brief cases—that they can offer practically all classes of insurance, except life, on American-owned risks in foreign lands . . . and you should, too!

As a skilled, experienced service organization, American Foreign Insurance Association represents 25 of America’s great insurance companies—provides world-wide facilities for handling and claims. These are yours—for your clients . . . Tell them!

AMERICAN FOREIGN INSURANCE ASSOCIATION

80 MAIDEN LANE • NEW YORK 7, NEW YORK

CHICAGO OFFICE: INSURANCE EXCHANGE BUILDING, 175 WEST JACKSON BLVD., CHICAGO 4, ILLINOIS
SAN FRANCISCO OFFICE: MILLS BUILDING, 220 MONTGOMERY STREET, SAN FRANCISCO 4, CALIFORNIA



COMPLETE INSURANCE COVERAGE IN FOREIGN LANDS

THE NATIONAL UNDERWRITER. Published weekly (with one additional issue in April and May) by The National Underwriter Company, Office of Publication, 175 W. Jackson Blvd., Chicago, Ill., U.S.A. 54th year, No. 16, Thursday, April 20, 1950. \$5.00 a year (Canada \$6.00). 20 cents per copy. Entered as second-class matter April 23, 1931, at the post office of Chicago, Ill., under Act of March 3, 1879.

Fire
Prem
Off v

195
Incr
Gai

Stock
rine lin
in prem
accordi
mary o
1950 A
lished
Compan
\$97,938,
1948 to
million
resented
\$2,796,1
ness wi
Approx
had a p
in 1948
the Arg
included
panies,
specifica
damage
For t
sets of
from \$
148,555
policyho
040 to
declined
159,825

Loss R

The
written
sharply
The ra
fire line
as that
ment in
all othe
the exc
panies,
Stock
\$1,355,8
year as
1948, an
vehicle
to \$686
figure v
and in
bile loss
erably f
tended
\$90,459
1948. T
from \$
loss ra
pared v
land na
432,556
1948. A
\$6,522,2
Ocean
some \$
\$142,24
Mutu
tory, an
\$316,417
This w
was an
ten by
premium
compan
to \$222

Fire Company Premiums Level Off with 4% Rise

**1950 Argus Chart Shows
Increase in Underwriting
Gain of \$158 Million**

Stock companies writing fire and marine lines had a total of \$2,448,451,327 in premiums on these lines during 1949, according to the adding machine summary of business shown in the new 1950 Argus Fire Chart, recently published by the National Underwriter Company. This was an increase of \$97,938,738 or 4% from the comparable 1948 total of \$2,350,512,589. The \$2,448 million written by stock companies represented 87.6% of the grand total of \$2,796,135,948 of fire and marine business written by all types of companies. Approximately these same companies had a premium income of \$2,665,180,709 in 1948. While in previous editions of the Argus Chart, these summaries have included automobile full coverage companies, the new edition confines itself specifically to fire, marine, and physical damage automobile lines.

For the business as a whole, the assets of all these companies increased from \$5,618,050,288 in 1948 to \$6,151,148,555 at the end of 1949. Surplus to policyholders also rose, from \$2,541,830,040 to \$2,752,780,949, while losses declined from \$1,125,268,102 to \$1,039,159,825 last year.

Loss Ratios Improve

The ratio of losses paid to premiums written for the entire business declined sharply from 42.2% to 37.2% last year. The ratio for stock companies writing fire lines in 1949 was exactly the same as that of all companies. This improvement in loss ratios is also reflected in all other types of fire companies with the exception of marine specialty companies, reciprocals and Lloyds.

Stock companies wrote a total of \$1,355,808,337 in accessory lines last year as compared to \$1,275,984,393 in 1948, and \$1,106,172,126 in 1947. Motor vehicle premiums rose from \$612,904,795 to \$686,113,037 last year. In 1947 this figure was approximately \$479 million and in 1945, \$229 million. The automobile loss ratio this year dropped considerably from 38.1% in 1948 to 32.2%. Extended cover premiums rose to \$228,890,459 as compared to \$202,495,028 in 1948. Tornado premiums again declined from \$14,109,169 to \$11,474,619 with a loss ratio of 88.2% in 1949, as compared with 130.1% the year before. Inland navigation premiums rose to \$207,432,556 in 1949 from \$187,504,765 in 1948. Aircraft premiums declined from \$6,522,222 in 1948 to \$5,875,894 last year. Ocean marine premiums also dropped some \$20 million from \$162,547,915, to \$142,243,358 in 1949.

Mutual fire companies, excluding factory and local farm mutuals, wrote \$316,417,971 net fire business in 1949. This was 11.3% of the grand total and was an increase from \$286,181,683 written by these companies in 1948. The premiums of U. S. branches of foreign companies increased from \$206,484,193 to \$222,801,912 last year. Reciprocals

(CONTINUED ON PAGE 39)

U.S. Loses First Round in Texas City Case

**Fire-Casualty Companies
Have \$33 Million
Stake in Outcome**

HOUSTON—In a scathing decision handed down here April 13, Federal Judge Kennerly held the U. S. government guilty of negligence as the proximate cause of the Texas City disaster of April 16-17, 1947, accusing the government of "blunders, mistakes and acts of negligence both of omission and commission."

Some \$145,154,000 in damage suits, filed in 273 actions and representing 8,485 claimants, were involved in the two test cases decided. The claims for property damage totaled \$89,583,000, with the claims for deaths and personal injuries aggregating \$55,571,000.

Fire and casualty insurance companies paid approximately \$33 million as a result of the disaster, according to estimates in a joint report issued by National Board and Fire Prevention & Engineering Bureau of Texas, although it is known that the loss of Texas City Terminal Railway Co. for about \$2½ million is in dispute. In round figures the loss breakdown follows: \$17½ million on Monsanto Chemical Co.; \$6 million on dwellings and commercial property; and \$8 million on workmen's compensation. In addition the cargo and railroad losses have been computed at \$5 million. So far as is known, no reliable aggregate of losses paid by life and A. & H. companies has been released. Liberty Mutual had the largest single compensation loss. Oil Assn. had the Monsanto line.

Appeal Is Being Readied

In Washington meantime, Assistant Attorney General Morrison said the government will immediately appeal to the circuit court at New Orleans and it was indicated that the case, which is the largest damage action ever brought against the government, would be taken to the Supreme Court, if necessary.

In event the higher courts uphold Judge Kennerly, each claim will be heard separately on its merits for determination of the amount payable, as the consolidated trial was held to fix responsibility. This action, some attorneys believe, will mean that a blanket damage suit for \$40 million, which named no specific claimants, will not be heard.

While this case was pending U. S. Supreme Court gave a decision that subrogees have rights equal to those of original claimants under the federal tort claims act of 1946.

Exhaustive testimony, much of it highly technical, was heard by Judge Kennerly for 90 court days last year, beginning April 25 and ending Nov. 10. There are 20,000 pages in the transcript of evidence in addition to numerous exhibits. By agreement with the court, the cases were consolidated July 21, 1948, for the purpose of trying the single issue of whether the government was guilty of negligence and, if so, was that negligence the cause of the disaster. The only damage suit tried was that of Elizabeth H. Dalehite for \$60,000 and of Henry G. Dalehite, Jr., for \$15,000 as a result of the death of Capt. Dalehite.

In order to expedite the trial the 125 different legal firms and individuals filing the suits selected a working committee of seven attorneys to handle the

(CONTINUED ON PAGE 16)

**Text of Judge Kennerly's
Opinion Is Given in
Large Part**

Much of Judge Kennerly's opinion in the Texas City case is reproduced herewith:

"Its first defense that plaintiffs should be required to make a more definite statement of their case was denied. Its second defense that plaintiffs failed to state a claim upon which relief may be had was denied. Its third, fourth and fifth defenses that plaintiffs in effect failed to state a case cognizable in this district was denied. Its eighth and ninth defenses questioning the authority of the working committee were denied. Its sixth and tenth defenses with respect to assigned claims, its seventh defense raising the question of limitation and its fifteenth defense pleading contributory negligence, etc. are not within the scope of the consolidation agreement and are therefore not disposed of at this time. By its eleventh, twelfth, thirteenth and fourteenth defenses defendant denies and has put in issue each and all of plaintiffs' allegations and same are herein disposed of under such consolidation agreement. This is a trial on the merits under such consolidation agreement, lasting approximately 90 days and on briefs, oral arguments and arguments of counsel, etc.

(a) The 80 or more charges against the defendant of negligence contained in plaintiffs' pleadings are substantially all supported and sustained by the evidence. This record discloses blunders, mistakes and acts of negligence, both of omission and commission on the part of the defendant, its agents, servants and employees, in deciding to begin the manufacture of this inherently dangerous fertilizer. And from the beginning of its manufacture on down to and after the day of the Texas City disaster, it discloses such disregard of and lack of care for the safety of the public and of persons manufacturing, handling, transporting and using such fertilizer as to shock one. When all the facts in this record are considered, one is not surprised by the Texas City disaster, i.e., that men and women, boys and girls in and around Texas City go on about their daily tasks in their homes, on streets, in their places of employment, etc. were suddenly and without warning killed, maimed or wounded, and vast property damage done. The surprising thing is that there were not more of such disasters.

(b) For a day or so prior to April 16, 1947, there was being loaded onto the Steamship Grandcamp, which was tied up at the dock of Texas City, and into holds 2 and 4 of such steamship for shipment overseas, large quantities of such ammonium nitrate fertilizer, or fertilizer grade ammonium nitrate, or fertilizer ammonium nitrate, or FGAN, an inherently dangerous material, an explosive and a fire hazard, manufactured by defendant and/or under its direction. On the morning of April 16, 1947, such fertilizer in hold 4 was discovered to be on fire. The evidence shows, I think beyond question, indeed beyond a reasonable doubt, that such fire in its origin in, commenced in, and was caused by the fertilizer which had been loaded into and was in hold 4 on such steamship, and I so find. The evidence did not enable me to state the exact process which produced the fire in the fertilizer, but it was in the nature of spontaneous combustion or spontaneous ignition. However, there can be, I think, no question that the bags which contained such fertilizer, the temperature of such fertilizer, the extraneous matter in such fertilizer each played a part in producing such fire. There is no evidence, certainly no dependable evidence, that the fire started from a cigarette or other extraneous cause, or that the fertilizer or the bags containing it, etc. were set on fire by some person.

(c) An unsuccessful effort was made to extinguish the fire on the Grandcamp or confine it to hold 4 or to such steamship, but the heat, gases, vapors, etc. from the burning and/or heated fertilizer proximately caused an explosion or explosions on such steamship, resulting in the death of or injury to many, perhaps most, of the persons killed or injured and much of the property dam-

(CONTINUED ON PAGE 36)

Viehmann New Zone 4 Chairman of Commissioners

**Group Takes Up
Many Topics at
Chicago Gathering**

Frank J. Viehmann of Indiana was elected chairman of zone 4 of National Assn. of Insurance Commissioners at the close of a day and a half meeting at the Edgewater Beach hotel, Chicago. The next meeting, it was decided, will



F. J. VIEHMANN

be held at Indianapolis late in September. Armand Harris of Minnesota is the outgoing chairman.

There will be a meeting of the zone 4 rating deputies at Chicago, May 15-16 to continue study of the possibilities of a uniform rate filing procedure and most of this group will stay over for the convention of Midwestern Independent Statistical Service, May 17.

This was the first meeting at which Hugh Tollack operated as the new assistant secretary of N.A.I.C. He will establish his headquarters at Chicago May 1.

The main social event was the cocktail party and banquet at which the Chicago insurance fraternity was host, in charge of Neil Russell of Chicago Motor Club. Chase Smith, general counsel of the Kemper companies, was the featured speaker and he conducted a one-man gridiron style show that had the audience in stitches. Then by popular request, Henry Moser, general counsel of Allstate, gave some of his famed Uncle Rabinowitz stories.

David Forbes of Michigan, president of N.A.I.C., in his talk said that two steps had been taken recently that strongly reinforced the structure of state supervision. One is the establishment of a real central office at Chicago that will serve as a clearing house for the 48 state insurance departments. He praised Mr. Tollack, citing his experience in

(CONTINUED ON PAGE 16)

New Jersey Agents Hold Untroubled Midyear Session

Association Business Chiefly Occupies Trenton Gathering of 250

By KENNETH O. FORCE

TRENTON—A pleasant and untroubled midyear session was held here by New Jersey Assn. of Insurance Agents, with attendance held to a modest 250 by the snow storm that set in along the eastern seaboard early Friday morning. Several matters of consequence engaged the attention of producers, but, indicative of the generally pleasant state of the insurance economy, none was of critical character.

President H. Earl Munz, Paterson, named a resolutions committee, headed by Sol Holland, Hudson, but it ended the day without reporting any.

The president was empowered to appoint a committee to report at the annual meeting suggestions for clarifying the question of what type of licensed agent is entitled to membership in the state association. S. C. W. Ackerman of Trenton, president Mercer county association, pointed out that qualification standards are applied by the county groups. Another member said these standards differ, county to county, and wondered about mutual agents. Another said he thought a uniform approach desirable.

Question on Office Holding

Mr. Ackerman also asked if the state association's constitutional requirement that officers of that group have an ownership interest in the firm they represent precluded the present practice of having county association presidents occupy vice-presidential posts in the state unit. In Mercer county some officers are employees only of agency firms. It was explained that state association vice-presidents are not elected, that county presidents become state v.-p.s. by holding the county office. The matter was referred to the executive committee.

Mr. Ackerman also suggested the bank-agent auto plan be reconstituted as an agent-bank program so the agent, and not the bank as, he said, now occurs to some extent, will control the insurance part of the business. This was referred to the bank-agent committee headed by Willard Parker of Flemington.

More Participation Asked

Donald Butcher of Freehold said he thought there should be more participation in executive committee meetings by county officers. The executive committee is sympathetic with the idea, Mr. Munz said, but the committee couldn't get any work done if 40 or 50 attended each meeting. The committee is following the plan of meeting at various points in the state, and inviting to attend the officers of the particular county. Also, he said, from time to time the committee takes up confidential matters that could not be kept confidential if a large group participated. The suggestion was made that one or two representatives be named for attendance by each of the two regions, north and south, into which the state naturally falls. Meetings of county presidents have been held with good results, and this group could name a representative for meeting with the executive committee.

The constitution and bylaws were changed to eliminate the elective offices

March Fire Losses Soar to \$72,468,000

Fire losses in March were \$72,468,000, making March, according to National Board estimates, one of three highest-loss months in the last 20 years. Losses were 7.8% over March, 1949, and 24.2% over February, 1950. For the 12 months ended March 31, losses totaled \$669,599,000, a decrease of only .029% compared with the preceding 12 months.

The National Board figures bear out the concern that has been expressed by some fire company executives, based on their own company data, that there has been a reversal in the downward trend of losses. No one knows of course how long this will last, but if it continues it is apt to have a sobering effect on the aggressive drive for premiums that has disturbed the business to some extent.

For the first quarter of 1950 losses by months have been:

	1950	1949	1948
Jan.	\$58,823,000	\$57,826,000	\$63,000,000
Feb.	\$58,340,000	\$62,424,000	\$72,521,000
March	\$72,468,000	\$67,218,000	\$74,236,000
Total 1st quarter	\$189,631,000	\$187,468,000	\$209,757,000

of secretary and treasurer since Charles J. Unger, executive secretary-treasurer, and his able assistant, Miss Barbara Hurd, already perform the functions of these offices. John F. Neville, temporary secretary N.A.I.A., said this was rather common procedure in other states. It is practical, he said, and the checks and balances on the offices remain the same.

Mr. Neville made his first public appearance in the N.A.I.A. office, when he spoke on the wage-hour law and state anti-coercion laws. The talk is treated elsewhere.

Herbert L. Brooks of Newark made the final report as elected treasurer.

EXCELLENT REPORT

The report by President Munz was an excellent one.

"Whether we become slaves to a federal government through the indifference of the many and the ambition of a few, or whether we will be able to stop the avalanche and reestablish the doctrine of states' rights and the dignity of the individual seems uncertain," he said. "One thing, however, is certain—we have embarked upon a program of social reforms and cannot turn back. We should recognize this fact and shape our course accordingly. We cannot have both security and liberty, more of the one means less of the other. If we don't fight for what we want, we'll have to take what we get."

However, there are, he said, many bright spots and hopeful signs—the highest living standard in the world, no crisis of unemployment, consumer goods plentiful and a softening of prices which indicates the low of supply and demand has not been repealed. Insurance has been the beneficiary of a rising volume of premiums, price competition has been no handicap to well informed producers, and in meeting a devastating Supreme Court decision and public law 15, the business has conducted itself with dignity before the court of public opinion.

Conference Idea Is Bright Spot

The brightest spot in the insurance picture is the comparatively new conference idea. Not very long ago companies and agents were at each others' throats, threatening and calling names; a spectacle not designed to bring about good public relations. Cool heads have found a solution in the conference plan, in both fire and casualty, with companies and rating bureaus. There is much that can be done constructively to eliminate waste and misunderstanding, to simplify procedures, to reduce costs, to prevent losses and to improve

(CONTINUED ON PAGE 35)

Argus Chart Aggregates Given for 1949 Business

Special surplus funds (contingency, voluntary, and other reserves) are included in surplus to policyholders in accordance with the convention blank. Net deposit capital of foreign companies (U. S. branches) is included in unassigned surplus item, but not in capital item.

ALL COMPANIES

(Stock, mutual, reciprocal and Lloyds, excluding factory mutuals and local farm mutuals)

	1949	1948
Admitted assets	\$6,151,148,555	\$5,618,050,288
Liabilities	3,397,967,606	3,076,220,248
Surplus to policyholders	2,753,180,949	2,541,830,040
New premiums written	2,796,135,948	2,665,180,709
Losses paid including adjusting expenses	1,039,159,825	1,125,268,102
Ratio of losses paid to net premiums written	37.2	42.2

STOCK FIRE COMPANIES

(American and foreign-direct writing and reinsurance)

	1949	1948
Admitted assets	\$5,439,198,658	\$5,106,323,811
Liabilities	3,029,389,755	2,956,532,991
Special surplus funds	155,556,387	127,886,369
Capital	452,273,153	458,764,383
Unassigned surplus	1,801,979,363	1,563,140,068
Surplus to policyholders	2,409,808,903	2,149,790,820
Premiums earned	2,109,026,516	2,247,350,079
Losses incurred including adjusting expenses	985,295,670	1,167,665,406
Underwriting expenses incurred	940,787,724	989,349,954
Ratio of losses incurred to premiums earned	46.7	52.0
Ratio of und. expenses incurred to prem. earned	44.6	44.0
Net gain from und. and profit and loss items	277,709,597	119,717,081
Net gain from investments	360,588,522	98,943,639
Net increase in surplus	238,839,295	143,766,108
Net premiums written	2,448,451,327	2,350,512,589
Losses paid including adjusting expenses	910,935,426	999,449,126
Ratio of losses paid to premiums written	37.2	42.5

ACCESSORY LINES

(Premiums and losses of all stock companies writing fire lines)

	1949			1948		
	Net	Losses	%	Net	Losses	%
	Prem. \$	Paid \$		Prem. \$	Paid \$	
Motor vehicle	686,113,037	220,774,476	32.2	612,904,795	233,434,107	38.1
Ocean marine	142,243,358	70,848,367	49.8	162,547,915	84,308,824	51.9
Extended coverage ..	228,890,459	64,475,564	28.2	202,459,928	76,986,951	38.0
Tornado	11,474,619	10,115,947	88.2	14,109,169	18,354,359	130.1
Inland navigation ..	207,432,556	84,828,460	40.9	187,504,765	82,911,868	44.2
Sprinkler leakage ..	6,693,292	2,164,277	32.3	7,339,924	2,556,137	34.8
Crop-hail	36,158,024	16,281,283	45.0	35,237,711	15,853,057	45.0
Riot, civil com. & exp	3,338,284	286,766	8.6	3,619,689	870,627	24.1
Aircraft	5,875,894	2,723,920	46.4	6,522,222	5,136,415	78.8
All other	27,588,814	10,256,815	37.2	43,738,275	10,118,340	23.1
Total accessory lines ..	1,355,808,337	482,755,875	35.6	1,275,984,393	530,530,685	41.6
Fire	1,092,642,990	428,179,551	39.2	1,074,528,196	468,918,441	43.6
Grand Total	2,448,451,327	910,935,426	37.2	2,350,512,589	999,449,126	42.5

FOREIGN COMPANIES, U. S. BRANCHES

	1949	1948
Admitted assets	\$ 487,502,565	\$ 430,123,933
Liabilities	303,624,192	283,869,355
Surplus to policyholders	183,878,373	146,254,578
Net premiums written	222,801,912	206,484,193
Losses paid including adjusting expenses	96,807,052	107,452,385
Ratio of losses paid to premiums written	43.5	52.0

REINSURANCE COMPANIES

	1949	1948
Admitted assets	\$ 202,770,886	\$ 177,935,039
Liabilities	128,643,616	117,035,510
Surplus to policyholders	74,127,270	60,899,529
Net premiums written	190,896,377	118,200,855
Losses paid including adjusting expenses	83,296,999	59,432,997
Ratio of losses paid to premiums written	43.6	50.3

MARINE COMPANIES

	1949	1948
Admitted assets	\$ 25,229,525	\$ 22,846,568
Liabilities	11,392,859	11,497,973
Surplus to policyholders	13,836,666	11,348,595
Net premiums written	8,119,491	8,615,734
Losses paid including adjusting expenses	3,817,873	3,946,699
Ratio of losses paid to premiums written	47.0	45.8

MUTUAL FIRE COMPANIES

(Excluding factory mutuals and local farm mutuals)

	1949	1948
Admitted assets	\$ 648,304,059	\$ 557,418,192
Liabilities	326,795,266	288,850,191
Special surplus funds	20,931,562	17,600,224
Surplus to policyholders	315,937,537	268,568,001
Net premiums written	316,417,971	286,181,683
Losses paid including adjusting expenses	117,848,329	117,746,870
Ratio of losses paid to premiums written	37.2	41.1
Premiums earned	279,227,988	249,470,755

(CONTINUED ON PAGE 39)

cluded
unas-

48
050,288
220,248
830,040
180,709
268,102
42.2

48
323,811
532,991
886,369
764,383
140,068
790,820
350,079
665,406
349,954
52.0
44.0
717,081
943,639
766,108
512,589
449,126
42.5

%
07 38.1
24 51.9
51 38.0

59 130.1
58 44.2
37 34.8
57 45.0
27 24.1
15 78.8
40 23.1
85 41.6
41 43.6
26 42.5

1948
0,123,933
8,869,355
6,254,578
6,484,193
7,452,385
52.0

1948
7,935,039
7,035,510
0,899,529
8,200,855
9,432,997
50.3

1948
2,846,568
1,497,973
1,348,595
8,615,734
3,946,699
45.8

1948
7,418,192
8,850,191
7,600,224
8,568,001
6,181,683
7,746,870
41.1
9,470,755



Give them peace of mind . . .

and sell more home coverage!

In this post-war period, many families have substantially increased the value of their home furnishings, but *not* their insurance.

These families therefore make excellent prospects for increased home coverage . . . or for a completely new insurance plan based on present increased home and furnishing values.

By careful examination of your community, you will discover many prospects for additional Dwelling Contents Coverage.

Many of your present clients and new prospects will appreciate your bringing to their attention the increase in home content values. Find out more about National of Hartford Group.

National of Hartford Group

NATIONAL FIRE INSURANCE COMPANY OF HARTFORD
MECHANICS and TRADERS INSURANCE COMPANY



FRANKLIN NATIONAL INSURANCE COMPANY OF NEW YORK
TRANSCONTINENTAL INSURANCE COMPANY

UNITED NATIONAL INDEMNITY COMPANY

EXECUTIVE AND ADMINISTRATIVE OFFICES, HARTFORD 15, CONN.

F. D. LAYTON, Chairman of the Board

H. B. COLLAMORE, President

WESTERN DEPARTMENT

CANADIAN DEPARTMENT

PACIFIC DEPARTMENT

175 W. JACKSON BLVD., CHICAGO 4 ILL.

485 MCGILL ST., MONTREAL 1, P. Q., CANADA

234 BUSH STREET, SAN FRANCISCO 20, CAL.

MEMBER THE ASSOCIATED AVIATION UNDERWRITERS

S. W. Prince Retiring, Ogden Successor



Sidney W. Prince

O. A. Ogden

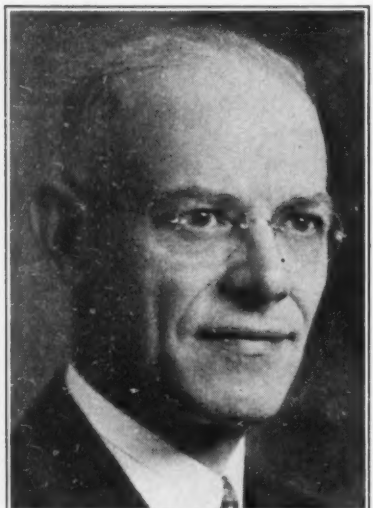
Sidney W. Prince, vice-president and secretary of National Fire, is retiring June 30 at his own request and will be succeeded by Secretary O. A. Ogden, who has been advanced to vice-president and secretary.

Mr. Prince has been with the group for 27 years, lately in charge of automobile, inland marine and ocean marine. He joined the company as a special agent at the home office and in 1926 transferred to Chicago to handle automobile and inland marine lines, remaining there two years. In 1928 he returned to Hartford as general agent, became assistant secretary in 1929, secretary in 1934, and vice-president and secretary in 1944. Last year he was elected vice-president of United National Indemnity.

Mr. Ogden, who is expected to be made an officer of the other four companies of the group, has been chief assistant to Mr. Prince for five years. He was with Ohio Inspection Bureau when he joined the group in 1924 as special agent in Ohio. In 1941 he became state agent for Michigan at Detroit and in 1943 was promoted to automobile superintendent at the western department. He transferred to Hartford in 1945 and was elected assistant secretary, becoming secretary in 1947.

Kuechler and Thiemeyer, No. Am. Veterans, Retiring

Announcement is made of the impending retirement of two of the best known men in the Chicago operations of North America, they being Charles



HARRY R. THIEMEYER

G. Kuechler and Harry R. Thiemeyer. Mr. Kuechler retires April 30 and Mr. Thiemeyer June 30.

Mr. Kuechler and Mr. Thiemeyer are within a month of each other in age and they started with North America in 1914 within a month of one another.

Mr. Kuechler started with Continental in 1902 and soon was assigned to the loss department. In 1910 he became loss superintendent in the western department of Security of New

Haven at Rockford, Ill., and then in 1912 returned to Continental, this time as an underwriter. He went with North America in 1914, succeeding John K. Walker, who is now head of Moore, Case, Lyman & Hubbard, as Cook county examiner. He later became Cook county manager in the old western department and since the time that department was dissolved in 1940, he has been engaged in production and contact work in the county. He has been active in Cook County Field Club and was an officer of Fire Insurance Examiners Assn. of Chicago.

Mr. Thiemeyer started with Springfield F. & M., in 1908 as an examiner and in 1914 he became an associate examiner with Mr. Kuechler at North America. The next year when the brokerage and service department was set up, he became manager and served in that capacity until some three years ago since which time he has been doing advisory and supervisory work. He, for years, has been one of the authorities in the west on U. & O. and other sidelines. He was an organizer and chairman in 1933 of Western Conference of Special Risk Underwriters and was chairman of its U. & O. committee for many years. He also served as chairman of Western Explosion Conference and chairman of Western Sprinkler Leakage Conference, and is now chairman of its actuarial committee. A son, Robert Thiemeyer, is with Fireman's Fund at Chicago.

Receivership Doesn't Establish Claim for Unearned Premium

HARRISBURG — A claim for unearned premiums from date of liquidation to expiration of policy in the defunct Urban Mutual Fire of Harrisburg proceedings has been disallowed by Dauphin county court.

Policyholder Roy E. Shellenberger of York, Pa., in an exception to the report of the insurance department on Urban liquidation, asked the court to rule on the rights of policyholders to return of unearned premiums.

Judge Neely said rights to refund of the unearned premium of this policy could only be established by showing that the provisions of the policy relating to cancellation and the return of such unearned premium have been strictly complied with. A strict compliance required such cancellation to be either by the company or by the insured. The dissolution of this company by the virtue of court order did not effect such a cancellation. It was a cancellation by operation of law and not by the voluntary act of either of the parties to the contract.

Urban Mutual, with approximately \$100,000 premium income, was thrown into liquidation in November, 1947, with a deficit later established at \$75,410. Policyholders are being assessed for a full year's premium.

Tacoma Agencies Merge

The Harold N. Mann agency and the Raleigh-Hayward Co. of Tacoma have merged. H. D. Hayward, formerly associated with W. C. Raleigh in the latter agency, died Jan. 11.

Harold N. Mann is a past president of Washington Assn. of Insurance Agents and for many years active in N.A.I.A. He is a past chairman of its fire prevention committee and a holder of the Woodworth Memorial.

New Leavenworth Officers

New officers named by the Leavenworth (Kan.) Insurance Board are J. G. Baum, president; George F. Bernhardt, vice-president, and Hubert G. Sawyer, secretary. The board is cooperating with the city in a two-week "Clean-Up Week" campaign.

Insurance Women of Madison have elected Gladys Barth, president; Lorena Baer, vice-president; Elmyra Sperloen and Pat McAfee, secretaries, and Ona Sanford, treasurer.

Zone 2 Dealing with Full Agenda

The commissioners of zone 2, under chairmanship of Bowles of Virginia, are in session in Wilmington, Del., this week. On Wednesday there was an executive session dealing with future meetings and functions of the zone, inland marine, term discounts as studied in the New York department report on this subject, deductible extended coverage, insurance expense exhibit—filing deadline and general, and retrospective rating plan (American Associated Cos.).

On Thursday, which is an open session, commissioners are discussing legal liability fire and explosion, automobile output policy (Aetna Fire), composite rating plans (Mutual Casualty Insurance Rating Bureau and American Associated Cos.), loss rated risks—plans for large individual insured; and fidelity and surety rates and rating plans (Surety Assn. of America and American Associated, Indemnity of North America and other independents.) Then there will be an executive session.

Plans for the zone 2 fall meeting on rate regulation and supervision, Raleigh, N. C., Oct. 24-25, will be discussed.

Slide Rule Pattern for Valuation Guide

The Calco "Valuation Guide", which is designed and distributed by Calco Products, Inc. of Cincinnati, is a device that is being used increasingly by agents and field men. It has the appearance of a slide rule and the estimated replacement cost is secured by setting the rule for type of risk, construction and cube. The obverse of the rule may be set to convert original building cost to present day replacement cost. It is simple to use and it impresses the insured.

The Calco people state that when its use is confined to the average property for which it was designed, it is a close guide to property value. The guide is kept up to date by periodical publication.

Calco emphasizes that except for those with considerable estimating experience, caution should be exercised in attempting to use any of the common short cuts on other than the average building. The results from any of these methods are simply average approximations and should be represented only as such. Beyond this line, the services of an appraisal company are required.

*Don't you want to
MAKE MONEY?*

It's lying around loose just waiting for someone to pick it up. That's not a far-fetched statement, either. A recent survey made by a large national magazine showed that only 69.4% of the people answering the questionnaire carried personal accident insurance. Of the remaining 30.6% the majority said they had never been asked to buy it. What are you waiting for? We have the best policies on the market . . . you have clients or prospects who need personal accident coverage . . . why can't we get together? Information regarding policies and rates available on request.

**Phoenix-London
GROUP**
55 FIFTH AVENUE • NEW YORK

PHOENIX ASSURANCE CO., Ltd.
IMPERIAL ASSURANCE COMPANY
COLUMBIA INSURANCE COMPANY
UNITED FIREMEN'S INSURANCE CO.
THE UNION MARINE & GENERAL INSURANCE CO., Ltd.
LONDON GUARANTEE & ACCIDENT CO., Ltd.
PHOENIX INDEMNITY COMPANY

Ne Ma

TREASURER
cal agent
the pro
John F.
ational A
the Ne
here to
have a
agencies
minimum
Certain
sonnel
Covered
with tin
40 hour
tificates
office oc
Many
ion that
duly bu
failure
bring on
experie
agents t
comply
Also, d
quired l
They fo
hour di
complan

Average
In spi
covering
istrative
average
an agen
been coo
the U.
and hou
In dis
Mr. Ne
surance,
he may
absolute
written
choice.

State L
Many
which c
tain amo
over wh
narly a
business
relations
tween a
of coer
having c
business
insurance
is consu
son havi
the other
At leas
gan, Ne
Dakota,
Jersey,
Georgia,
lina) st
books, a
in solvin
coercion
laws are
the pro
trolled l

Law in
New
bill in
meanor
dent to
property
erty be
designat
A vio
meanor
Also, th
Persons
must ta
initiative
and the
dence. I
ordinaril
provided
port a co
Theref
which h
sey's, an

Neville Clarifies Two Law Matters of Agent Concern

TRENTON—Warning that every local agent will do well to comply with the provisions of the wage-hour law, John F. Neville, acting secretary National Assn. of Insurance Agents, told the New Jersey association midyear here the revised law and rulings may have a far reaching effect on certain agencies because of the 75 cents an hour minimum.

Certain readjustments in office personnel may be necessary, he said. Covered employees must be paid 75 cents, with time and one-half for time over 40 hours in any week. Learners' certificates are not being authorized for any office occupations.

Many agents have expressed the opinion that provisions of the law are unduly burdensome and expensive. But failure to comply with the law will bring only additional inconvenience and expense, he said. It will be wise for agents to pay the minimum wage and comply with overtime requirements. Also, detailed employment records required by the law must be maintained. They form the base on which the wage-hour division can determine if there is compliance.

Average Agency Employee Covered

In spite of the exemptions in the law, covering professional, executive, administrative and outside sales personnel, the average person doing clerical work in an agency is covered. This opinion has been confirmed in a letter opinion by the U. S. Department of Labor wage and hour and public contracts division.

In discussing anti-coercion legislation, Mr. Neville said the purchaser of insurance, in whatever type of transaction he may be involved, should have the absolute right of having the insurance written through an agent of his own choice. This is a good principle.

State Legislation

Many states have passed legislation which compels an agent to write a certain amount of his business in situations over which he has no control. Ordinarily controlled business would be business obtained by virtue of the close relationship, personal or otherwise, between agent and insured. The problem of coercing insurance premiums, while having certain similarities to controlled business, is somewhat different in that insurance written by means of coercion is consummated as a result of one person having a superior legal position over the other.

At least 15 (Indiana, Louisiana, Michigan, Nebraska, New Hampshire, South Dakota, Tennessee, Pennsylvania, New Jersey, New York, Connecticut, Ohio, Georgia, Kentucky, and North Carolina) states have placed upon their books, as a direct result of the difficulty in solving this problem, so-called anti-coercion laws. The difference in these laws are more apparent than real since the problem to be reached and controlled by the statute is the same.

Law in Effect in N. J.

New Jersey passed an anti-coercion bill in 1948, which makes it a misdemeanor to require as a condition precedent to the financing of real or personal property, that insurance on such property be written through a particularly designated agent or broker.

A violation of this law is a misdemeanor and therefore a criminal offense. Also, the statute is not self-executing. Persons interested in its enforcement must take certain steps, on their own initiative, by making a proper complaint and the furnishing of sufficient evidence. No law enforcement official will ordinarily act unless and until he is provided with evidence sufficient to support a conviction.

Therefore, agents in those states which have a law similar to New Jersey's, are faced with a problem. It is

not enough to feel certain that a violation of law has occurred, but one must be able to supply the proper authorities with legal evidence to support the complaint. After all, law enforcement officials are busy. It seems necessary, therefore, for agents to take an active

interest in enforcement and be willing to cooperate by hard work, and at some inconvenience to themselves, with those responsible for the law's enforcement.

The mere existence of such a law does have some meritorious effect as a deterrent on some activity in this field. However, to give such a law a fair chance, agents must participate and give proper aid in its enforcement.

Excelsior Marks Anniversary

Excelsior will mark the 25th anni-

versary of its operation as an agency owned company June 12 with an all-day festival at Syracuse. The company will act as host at a buffet luncheon May 9, to the New York State Assn. of Insurance Agents, during its annual convention.

Raymond L. Mann of Dulany, Johnston & Priest has been named chairman of the 1950 finance drive for Kansas of National Conference of Christians & Jews. He is a past president of Wichita Assn. of Insurance Agents.



The ingenious crow, unable to reach the water in the deep pitcher, filled it with pebbles one by one until the water was raised to where he could satisfy his thirst. Today a similar strategy is at work in our country. Bit by bit the "economic planners" are adding to the power and functions of government. Controls, subsidies and government competition are stifling our individual initiative and destroying our free economy. Unless we and our elected representatives reaffirm the doctrines of self-reliance and free enterprise upon which this nation was built, the level of state socialism will surely be reached.

Thomas Babington Macaulay in 1830 said, "Nothing is so galling to a people not broken in from the birth, as a paternal government...a meddling government which tells them what to read and say and eat and drink and wear."



Fireman's Fund Group

FIRE • AUTOMOBILE • MARINE • CASUALTY • SURETY FIDELITY

Head Office: 401 California Street, San Francisco 20, California

Departmental Offices: New York • Chicago • Boston • Atlanta • Los Angeles

FIREMAN'S FUND INSURANCE COMPANY • HOME FIRE & MARINE INSURANCE COMPANY

FIREMAN'S FUND INDEMNITY COMPANY • WESTERN NATIONAL INSURANCE COMPANY • WESTERN NATIONAL INDEMNITY COMPANY

DEPENDABLE... AS THE NORTH STAR



Polaris or the North Star is of great service to navigators. THE CAMDEN is in a similar situation which agents recognize. Built on a sound belief in the American Agency System, it pledges not to place obstacles in your path. What better evidence of good faith and dependability can be offered? Write us for an Agency.

THE CAMDEN

Fire Insurance Association

CAMDEN, NEW JERSEY

NOW IN OUR SECOND CENTURY OF SERVICE



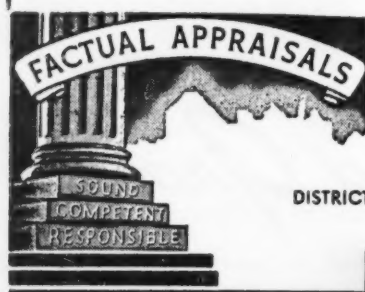
A Company is Known
by the
Agents it KEEPS

1910

1950

FORTY YEARS

of factual appraisal service to
America's more conservative business institutions



IMPARTIAL VALUATIONS

of

INDUSTRIAL and COMMERCIAL
PROPERTY

DISTRICT OFFICES IN ALL PRINCIPAL CITIES

The Lloyd-Thomas Co.

RECOGNIZED AUTHORITY ON PHYSICAL VALUES

APPRAISERS & ENGINEERS

4411-15 RAVENSWOOD AVE., CHICAGO

Underwriters Laboratories Has Annual Meeting

Continued cooperation of manufacturers and generous support by regulatory authorities were the keynotes of the remarks of Curtis R. Welborn, president of Underwriters Laboratories, in his report at the annual meeting at Chicago.

All trustees and officers of the Laboratories were reelected. In addition, William E. Newcomb, vice-president of Great American, was elected a trustee. Charles H. Smith, vice-president of Hartford Fire, and a member of the board for eight years, was made a member of the executive committee.

The year's activity based on new work assignments showed an increase of 2% over the 1948 work level. Over the year, visits to manufacturers' plants to inspect current production of listed products were increased 40%.

The engineering staff tested many complicated devices and equipment for highly specialized applications, including electronic or invisible radiation burglar alarm systems, automatic high-speed package-weighting device for use in production lines, and a monitoring device for detecting gamma radiations from radio-active isotopes for use where flammable gases are present. Many new types of building materials were also investigated. The examination and test of television sets was an expected large field.

Fete Horton at Cleveland Testimonial Dinner

About 250 Cleveland leaders gathered for the testimonial of Insurance Board of Cleveland to its retiring executive secretary, Samuel J. Horton. His span of active duty with the board was 30 years.

President C. A. Collier of the board presented to Mr. Horton an engraved gold pocket watch and chain and a leather-bound testimonial of appreciation, which was signed by the trustees, past presidents, past trustees and guests.

In his response Mr. Horton expressed his warm personal friendly feeling for those he worked for and with during three decades in Cleveland.

Master of ceremonies was Charles F. Stewart, a trustee of the board. Among those speaking in appreciation of Mr. Horton were Superintendent Robinson of Ohio; L. U. Jeffries, warden of the Ohio department; Harry L. Grider, western branch manager of Factory Insurance Assn.; Arthur M. O'Connell, president of Cincinnati Fire Underwriters Assn.; Paul R. Gingham, general counsel of Ohio Assn. of Insurance Agents, and John A. Lloyd, vice-president of Union Central Life.

Fred B. Ayer, president of the board in 1920 when Mr. Horton began his service, spoke in behalf of all the past presidents.

Ackerman N. H. State Agent

Arthur D. Ackerson has been appointed state agent at Concord, N. H., by Royal-Liverpool, succeeding George T. Bennett, resigned. Mr. Ackerson first was with Sun. After army service he was named special agent for Royal-Liverpool at Portland, Me., and in 1947 he was transferred to Hartford, where he has since remained.

L. A. Forum Hears Morrison

LOS ANGELES—Joseph Morrison, vice-president of Liberty Mutual, addressed Insurance Forum of Los Angeles on the mutual side of insurance, as well as developments of interest to both stock and mutual companies.

"Bosses' night" was observed April 13 by St. Paul Assn. of Insurance Women.

Dearborn Nat'l Calls Receivership Suit Technical Question

LANSING, MICH.—Indignant denials that Dearborn National and Dearborn National Casualty are insolvent or unable to meet obligations as they arise came from the carriers' counsel following the filing of receivership proceedings against them.

Commissioner Forbes, who instigated the receivership action, had been seeking for two years to enforce an order that the companies unscramble an alleged pyramided assets situation in which the portfolios of the two companies held securities of 10 other corporations in which the companies' president, David F. Broderick, was an officer or director.

Attack Related Company

After the receivership petition was filed by the attorney general's department it was learned that the public service commission also had ordered another Broderick-controlled corporation, Dearborn Motor Coach Co., to eliminate alleged inflated valuations from its report to the extent of some \$250,000. The company is one of those whose securities are included in the insurers' portfolios.

Despite the double-barreled attack from state official sources, however, John T. Higgins, Broderick's attorney, issued a statement declaring that the insurance companies' annual statements showed them solvent and "each has always been, is now and will continue to be ready, able and willing to pay its respective liabilities as they accrue. This is purely a technical question," Higgins insisted.

Insurance department officials are quoted to the effect that the carriers have made an underwriting profit in only two years of the last 12 but have claimed investment profits from higher securities valuations.

Pinholster to Newark as Assistant Regional Manager

W. E. Pinholster, assistant manager of the Royal-Liverpool Philadelphia service office, has been promoted to assistant regional manager for New Jersey with headquarters at Newark. He is succeeded at Philadelphia by Harold K. Remington.

Mr. Pinholster has been with the group since 1929. After service with casualty companies at Cleveland, Chicago and New York, he was appointed assistant manager at Philadelphia in 1942.

Mr. Remington joined the group at Philadelphia in 1938 after experience with National Bureau of Casualty Underwriters. In 1946 he was transferred to New York, serving in the automobile and later in the special risk department.

Seek Mortgage Amendment

Nebraska Assn. of Insurance Agents, at a regional meeting at Norfolk, approved a proposal asking that the mortgage clause be amended to exclude the requirement for enjoining the assured's and the mortgagee's interests in losses of \$50 or less. Added work in the adjustment and payment of losses following the March 7 windstorm which swept the state was cited as the reason for the proposal.

N.A.U.A. to Meet May 24

National Automobile Underwriters Assn. will hold its annual meeting at New York May 24. A luncheon for members and subscribers will follow the meeting.

Arthur C. Klein, local agent, spoke on insurance at a business forum of the La Crosse, Wis., chapter of American Assn. of University Women.



expecte
and arm
sole dis
the und
of leapi
attorney
to deter
derwrit
As yo
land m
digest s
new fie
precede
that wh
the field
continu
evitable
the futu
settled
Only a

There
the issu
sions ap
One of
marine
the mar
sometim
applicab
surance
lies in t
voluntar
which h
the mar
voidable
all mate
"ordinar
insured
which h
risk.
Mr. C.
the issu
the cou
tional S
a jewelr
were dev
several
which cl
policies
company
with res
informat
viewing
applicat
insured v

Insurer I
In a
American
man's fl
damage
claim wa
leged to
bery. As
that Spe
cealing a
and had
years in
Home a
material
cealed. I
the insur
have issu
held that
plicable a
The app
sion, but
court of
the verdi
"until the
hold that
disclosure

Conklin Relates Woes of Attorneys Handling the Inland Marine Line

Reaching the right decision as to the meaning of ambiguous words and phrases in many of the tailor-made forms is one of the most troublesome problems in the handling of legal matters of inland marine, Clarence R. Conklin of the law firm of Heineke & Conklin, told members of Western Loss Assn. at Chicago Tuesday.



C. R. Conklin

Mr. Conklin explained that such problems are to be expected because in many cases words and arrangement have been left to the sole discretion of the underwriter. It is the underwriter who has the adventure of leaping into uncharted waters, but the attorney has the experience of trying to determine in which direction the underwriter leaped, and into what.

As yet there is no classification of inland marine cases in the standard law digest systems, since this is a relatively new field. On many points there is no precedent, and Mr. Conklin commented that when the nature and flexibility of the field is considered along with the continued expansion which appears inevitable, it would seem that perhaps in the future there will be as many unsettled questions as there are now.

Only a Few Issues Settled

There are only a few points on which the issue has either been settled or decisions appear to indicate a definite trend. One of these is whether or not inland marine policies are to be governed by the marine rule, or by what has been sometimes termed the "ordinary rule" applicable to fire and other property insurance. One of the basic differences lies in the duty of an insured to make voluntary disclosure of material facts which have a bearing on the risk. Under the marine rule generally, the policy is voidable if the insured fails to disclose all material facts, whereas under the "ordinary rule" it must appear that the insured fraudulently concealed facts which he knew to be material to the risk.

Mr. Conklin reviewed cases in which the issue received careful attention from the courts, mentioning Blair vs. National Security. In this, a case involving a jewelry firm floater policy, the facts were developed that the insured had had several previous losses of jewelry for which claims had been made under other policies. Before writing the policy, the company made no inquiry of the insured with respect to previous losses, and no information was volunteered. After reviewing the statutes, the court denied application of the marine rule and the insured was allowed recovery.

Insurer Must Make Inquiry

In a New York case, Specker vs. American Home Fire, involving a salesman's floater policy covering loss and damage to furs while being transported, claim was filed for \$22,000 for loss alleged to have been occasioned by robbery. As a defense, the company said that Specker had been indicted for concealing assets in a bankruptcy matter and had pleaded guilty and served two years in the penitentiary. American Home asserted that these facts were material to the risk and had been concealed. If they had been disclosed by the insured American Home would not have issued the policy. The trial court held that the marine rule was not applicable and found in favor of Specker. The appellate court reversed the decision, but on carrying the case to the court of appeals, Specker was awarded the verdict. The court pointed out that "until the legislature says otherwise, we hold that the ordinary rule as to non-disclosure is the one to apply in respect

to policies like the one in suit, and that, as to such policies, if the insurer makes no inquiry, and the insured no representation as to the facts in question, then concealment, short of actual fraud, in respect to such a fact does not void the policy."

Mr. Conklin noted that underwriters were forced to the conclusion that by reason of these decisions it can be assumed that short of legislative enactment or development of some new

thinking to the contrary, the law is settled and that the marine rule with respect to disclosure does not apply to inland marine. However, he added, the courts have clearly suggested that such controversies may be avoided by an application or proposal form wherein answers would be required of the insured of all material information.

Mysterious Disappearance

Contrary to a popular misconception, Mr. Conklin said mysterious disappearance of property raises no presumption that the article has been stolen. He mentioned several cases holding to that effect, and pointed out that theft may be

established by circumstantial evidence, sometimes on very thin evidence, but there must be some basis of fact to substantiate the finding. In one case, in which the insured based his argument on the point that the policy defined robbery to be the felonious and forcible taking of property from a person who has been rendered unconscious by injury inflicted maliciously, the court denied recovery. In this case, the insured, a man 68 years old, struck up an acquaintance with two women in a hotel cocktail bar, danced with them for an hour or two and had several drinks, and then invited them to his hotel room for a night-

(CONTINUED ON PAGE 34)

ADT PERFORMANCE 1949

Year after year the high ratio of immunity from fire and burglary losses is convincing proof of the exceptional effectiveness of ADT Central Station Protection Services.

The accompanying performance record for 1949 merits the careful consideration of owners, business executives and others responsible for property protection.

BURGLAR AND HOLDUP ALARM SERVICES

Attacks on ADT Protection	1,866
Entrances effected	1,017
Captures as result of burglar, holdup and other emergency alarms	739
Insurable values of properties protected	\$2,439,854,000*
Ratio of losses to insurable values protected	1/100th of 1%
Burglary loss immunity in 1949	99 ⁰⁰ / ₁₀₀ %

AVERAGE BURGLARY LOSS IMMUNITY DURING THE PAST TEN YEARS 99⁹⁹/₁₀₀%

*Not including ADT-protected values in bank vaults, the U.S. Treasury, 26 Federal Reserve Banks and branches, the U.S. Mints and the U.S. Bullion Depositories at Fort Knox, Ky., and West Point, N. Y.

WATCHMAN'S REPORTING AND MANUAL FIRE ALARM SERVICE

Investigations of failures of watchmen to signal Central Station on schedule	203,651
Total number of signals recorded	350,217,000
Watchmen's patrol efficiency	99 94/100ths %
Alarms from Manual Fire Alarm Boxes	1,167
Insurable values of properties protected	\$15,157,491,000
Ratio of losses to insurable values protected	3/100ths of 1%
Fire loss immunity in 1949	99 ⁹⁷ / ₁₀₀ %

AVERAGE FIRE LOSS IMMUNITY DURING THE PAST TEN YEARS 99⁹⁶/₁₀₀%

SPRINKLER SUPERVISORY AND WATERFLOW ALARM SERVICE

Supervisory alarms, indicating temporary impairment of sprinkler systems	181,127
Waterflow alarms, caused by fires or serious leaks	2,883
Manual fire alarms	112
Insurable values of properties protected	\$8,572,030,000
Ratio of losses to insurable values protected	2/100ths of 1%
Fire loss immunity in 1949	99 ⁰⁸ / ₁₀₀ %

AVERAGE FIRE LOSS IMMUNITY DURING THE PAST TEN YEARS 99⁹⁸/₁₀₀%

These figures are of special significance because they reflect the importance of continuous supervision, regular inspections and tests, and proper maintenance. Such specialized attention is essential to constantly dependable protection service.

Write for booklet "Protecting Life and Property" describing all ADT Services.

Controlled Companies of
AMERICAN DISTRICT TELEGRAPH COMPANY
155 Sixth Avenue, New York 13, N. Y.
CENTRAL STATIONS IN ALL PRINCIPAL CITIES

ADT

Worthwhile things deserve the best in protection



WRITE FOR
YOUR SUPPLY

EXTENDED COVERAGE

Here's a new way to show
an old thought,
To a prospect who's never
been taught
That to be safe and be sure
There is only one cure —
When Extended Coverage
is bought.

New Folder full of facts
to help you sell Extended Coverage
Insurance.



THE London & Lancashire GROUP

THE LONDON & LANCASHIRE INSURANCE COMPANY, LTD. • ORIENT INSURANCE COM-
PANY • LAW UNION & ROCK INSURANCE COMPANY, LTD. • SAFEGUARD INSURANCE
COMPANY OF NEW YORK • STANDARD MARINE INSURANCE COMPANY, LTD.
(Fire Department) • LONDON & LANCASHIRE INDEMNITY COMPANY OF AMERICA

HOLBORN AGENCY CORPORATION Reinsurance

ANNOUNCES THE REMOVAL OF THEIR OFFICES
TO THEIR OWN BUILDING

144 JOHN STREET • NEW YORK 7, N. Y.

April 15, 1950

BOWling Green 9-7480

Insurance Has Big Stake in N. D. GOP Primary

Insurance people are taking unusual interest in the North Dakota Republican primary election June 27 because Non-Partisan League, known locally as NPL, has as one of its planks the establishment of a state fund for automobile third party liability insurance. NPL appropriates the label of "liberal" and assigns the "reactionary" tag to the other Republican faction, which is Republican Organizing Committee or ROC.

Otto Krueger, the North Dakota insurance commissioner, is not a candidate for reelection this year but he is aggressively stumping the state for the ROC faction.

The ROC candidate for insurance commissioner is Oscar Troyer of Rugby, who is an agent for Franklin Life, while the NPL candidate is J. A. Jensen of Jamestown, an employee of the weights and measures division of North Dakota public service commission.

Breach of Lloyds Warranty Clause Voids Insurance, Raises Coinsurance Question

Breach of the warranty clause in a Lloyds policy has the effect of nullifying the insurance whether or not the breach of warranty produces actual damage, according to a decision in the circuit court of Chicago.

The insured, a Hammond, Ind. organization, had a Lloyds policy of \$7,500 warranted to the same terms and conditions and to follow settlement of a policy with First American, that company at the time of loss to have a policy in the amount of \$2,500.

When the First American policy expired, the agent on the line transferred the business to Baltimore American without changing the warranty clause. Subsequently there was a fire loss and Lloyds contested payment on the grounds of breach of warranty. The court held in favor of Lloyds and the \$7,500 Lloyds policy was dismissed from the case.

This case is still under litigation, but the decision as to Lloyds has raised some interesting questions, chief among them being whether the policy dismissed is a contributing policy under the coinsurance clause. The assured had a 90% clause in his policy and insurance in several other companies. Adjusters on the loss are Western Adjustment, and the attorneys are the Chicago law firm of Heineke & Conklin.

Subjects for Buyers Rally May 22-23 Are Selected

Subjects to be featured at the meeting of insurance division of American Management Assn. at Hotel Statler, New York, May 22-23, include: How to operate under temporary disability benefits laws; how much business interruption insurance is necessary today and how can losses from interruption be calculated; how to get better coverage from dishonesty insurance in view of the availability of broader fidelity and forgery policies; the effect of state and federal regulations upon the insured; how to assure maximum recovery of losses on property damage and how to develop and administer a comprehensive insurance program for small and medium sized companies.

These subjects came out on top in a survey among members of what constitutes current major problems. The agenda is being prepared by R. B. Gallagher of Philco Corp., A.M.A. vice-president in charge of the insurance division.

I. J. Peterson, local agent, has been elected president of the Corunna (Mich.) Chamber of Commerce.

Reliable Fire Insurance Company

is

DEPENDABLE

This has been
proved through
more than

85 years of
successful
operation.

Inland Marine Department
Wm. H. McGee & Co.
Managers

111 John Street New York 7, New York



RELIABLE
FIRE INSURANCE CO.
Dayton, Ohio

An Independent Ohio Company

Proo
for I

The
ing of
Agents
been c
at the

The
ports o
Lake C
roe, sa
first da
Johnson
the Nat
D. Min
In the
tournam
uled fo

The s
mittee
given l
tendent
ualty.

chairma
Louisian
bers of
chairman
liam Bi
Rating
new off
ner that

Hold
for C
Warm

MILV
awarded
previous
man, C
Plymouth
Parking
1947. L
ator, L
the sta
Nierma
given l
sponsib
night."
midnight
German
tendant
the aut
night.

Rulin
parking
absolve
ity, Ju
waukee
warning

"In o
tive, N
formed
Judge C
about it
in the c

Citing
up his
Judge C
"If the
in the
bility fo
solve th
differen
restaura
pay mo
car. B
for the
coat."

Says
Few

There
insuranc
to estab
good in
ment to
book, re
adminis
statistic
ment to
cials co
The p
easy, fo
job as a
heavy t
Thoro
necessar

Program Ready for La. Agents

The program for the annual meeting of Louisiana Assn. of Insurance Agents at Alexandria, April 26-28, has been completed. All sessions will be at the Bentley hotel.

The meeting will open with the reports of President Harold A. Boling, Lake Charles, and E. J. Seymour, Monroe, state national director. Talks the first day will be given by O. Shaw Johnson, Clarksdale, Miss., president of the National association, and by Claude D. Minor, president of Virginia F. & M. In the afternoon there will be a golf tournament and a dance has been scheduled for the evening.

The second day will open with committee reports and an address will be given by Erwin H. Luecke, superintendent of agents for Fidelity & Casualty. Guests will be A. P. White, chairman of the casualty division of Louisiana Rating Commission and members of his staff: William Kirchem, chairman of the fire division, and William Biddel, manager of the Louisiana Rating & Fire Prevention Bureau. The new officers will be installed at the dinner that evening.

Hold Parking Lot Liable for Car Theft Despite Warning on Ticket

MILWAUKEE — Home has been awarded judgment of \$482.12 which it previously had paid to Henry F. Nierman, Chicago, for repairs to an insured Plymouth sedan stolen from the Warner Parking Station, Milwaukee, in April, 1947. Home sued the parking lot operator, L. H. Hartmann, who contended the station was not responsible for Nierman's car, since the parking ticket given had a printed warning: "Not responsible for car or contents after midnight." The car had been stolen after midnight, and was recovered later in Germantown, Wis. The parking lot attendants had left Nierman's key inside the automobile when they left at midnight.

Ruling that the "fine print" on a parking station claim check does not absolve the operator from responsibility, Judge Myron L. Gordon in Milwaukee civil court, said that the printed warning did not constitute a contract.

"In order to make the warning effective, Nierman should have been informed of the statement on the ticket," Judge Gordon stated. "If he had known about it, he would not have left his keys in the car."

Citing the instance of a man hanging up his coat and hat in a restaurant, Judge Gordon elaborated on his ruling: "If the coat and hat are stolen, a sign in the restaurant disclaiming responsibility for clothing left there would oblige the restaurant, in my opinion. The difference between a parking lot and a restaurant is that on the parking lot you pay money for the safekeeping of your car. But, you don't go to a restaurant for the safekeeping of your hat and coat."

Says Agent Jobs Abound; Few Underwriting Openings

There will be many openings in the insurance field for agents and brokers to establish successful careers and make good incomes, according to a supplement to the occupational outlook handbook, recently prepared for the veterans administration by the bureau of labor statistics. VA is distributing the supplement to advisement and guidance officials counseling veterans.

The publication says it is usually fairly easy, for a qualified applicant to get a job as an insurance agent, but there is heavy turnover.

Thorough and expert knowledge is necessary for success, it says. This

knowledge can be obtained in instruction courses, but several years of experience are required to become established. The job outlook for underwriters is not so promising, the supplement says.

Join Minneapolis Firm

Wilbur S. Lycan, Jr., and Robert L. Schnell have joined the Brenner & Bouchard, law firm of Minneapolis as partners and the new firm name is Brenner, Bouchard, Lycan & Schnell. The organization is moving into new offices at 1666 Northwestern Bank Building on May 1.

Neville Named N.A.I.A. Secretary

NEW YORK—John F. Neville was named secretary of National Assn. of Insurance Agents at a meeting here of the executive committee last weekend. Mr. Neville was appointed temporary secretary at the St. Louis meeting of the committee.

President O. Shaw Johnson said the committee expressed full confidence in the qualifications of Mr. Neville to


administer successfully the affairs of the association. His legal training and broad knowledge of agency problems acquired during his five years of association with N.A.I.A. fully equip him to guide the organization in the years ahead ably and intelligently.

A survey of insurance coverage on Manitowoc, Wis., school buildings and equipment as well as present replacement valuation indicates that the value of the properties is 2½ times the amount of insurance carried. An upward adjustment is being considered.

Your clients will like this

Profitable

service



JANUARY	FEBRUARY	MARCH
---------	----------	-------

Every merchant, wholesale or retail, and many manufacturers, should have a Reporting Form to properly cover the value of their stocks and, in some cases, fixtures and improvements and betterments as well. In most cases, the values at risk fluctuate monthly and seasonally.

Agents of the Security Insurance Companies now write their own Reporting Form policies, both single and multiple location, when the entire risk is within one state. On interstate coverage, the policies are written by our General Cover Department, 90 John Street, New York, N. Y.

Stocks written under "specific amount" policies are at one time or another either over insured or under insured. This means unnecessary expense for the insured, or dangerously uninsured values. If the amounts of insurance are changed from month to month, expensive short rates must be paid. The only satisfactory solution to insuring fluctuating values is a Reporting Form — and it is also the most economical.

Security Insurance Companies

HOME OFFICE: NEW HAVEN, CONNECTICUT

Security Insurance Company of New Haven
The East & West Insurance Company of New Haven
New Haven Underwriters
The Connecticut Indemnity Company

1841 — "SECURITY," THE NATION'S WATCHWORD — 1950

These risks run to large values and big commissions. Clients and prospects both will thank you for telling them about this valuable service. To help you explain it, the Security Insurance Companies have prepared a new folder entitled "If the Value of Your Stock Changes from Month to Month." It tells about the new easy way in which Reporting Form policies may be written and their advantages. Send today for your free copy of this new folder, illustrated here — no cost or obligation.



Security Insurance Companies
New Haven, Connecticut

Please mail me, without cost or obligation, a copy of your new folder "If the Value of Your Stock Changes from Month to Month" telling about the new Reporting Form for fluctuating values.

Name _____ (please print)
Agency _____
Street _____
City or Town _____ State _____



IN ALL
DIRECTIONS...
SPECIALISTS
WORKING FOR YOU

COMPREHENSIVE GENERAL LIABILITY
AND
ALL MOTOR VEHICLE COVERAGES

FOR

BUTANE HAULERS
PROPANE HAULERS
GASOLINE HAULERS

KURT HITKE & COMPANY, INC.

175 W. Jackson Blvd.

CHICAGO 4, ILLINOIS

WAbash 2-3622

1671 Wilshire Blvd.
LOS ANGELES 17, CALIF.
Phone Dunkirk 8-3161

Reisch Building
SPRINGFIELD, ILLINOIS
Phone Springfield 8-4305

The first lighthouse at Point Judith, a wooden structure, was built in 1806 but was too frail to withstand the gale of 1815. For the past one hundred thirty-four years, the octagonal stone building, known as Point Judith Light, has guarded one of the most treacherous stretches of sea along the Atlantic coast. Point Judith appears tame on ordinary occasions, for the surrounding land is flat, sandy, and treeless. Only when the high winds roll up the breakers can landlubbers understand why seafarers fear the Point.



For more than a hundred years, the Pawtucket Mutual Fire Insurance Company has been guarding the property of its policyholders and providing continuous dividend payments and prompt loss settlements.



INCORPORATED 1848
PAWTUCKET MUTUAL
FIRE INSURANCE COMPANY
26 MAPLE STREET, PAWTUCKET, RHODE ISLAND

Illinois Federation Slates J. A. Henry As its President

John A. Henry, general attorney of the Continental companies, has been slated for election as president of the Insurance Federation of Illinois at its annual luncheon on April 28. The nominating committee of which George H. Moloney, Jr., vice-president of Hartford Accident, is chairman, has submitted the following other nominations: Harry H. Fuller, deputy U. S. manager of Zurich, first vice-president; Urban M. Lelli, secretary of Phoenix of Hartford, chairman of the executive committee; A. W. Ormiston, Chicago broker, new member of the executive committee and G. J. Mecherle, president State Farm Group, new vice-president. There are four present members of the executive committee renominated and 14 vice-presidents renominated.

New Directors Nominated

Nominated as new directors are W. A. Eakin, western manager of Employers group; E. A. McCord, president of Illinois Mutual Casualty; C. L. Morris, vice-president of Illinois National Casualty; B. W. Rouse, Travelers casualty manager at Chicago; W. A. Seeley, western manager for Crum & Forster group.

Mr. Fuller, as chairman of the committee on arrangements, announces that a sell-out is anticipated for the luncheon at which Gov. Stevenson is to speak after introduction by Insurance Director Hershey.

L. D. Cavanaugh, president of Federal Life, who will extend a greeting as president of the federation, will automatically become chairman of the organization.

Herbert J. Lorber, president of Rollins Burdick Hunter has just been named chairman of the reception committee.

Squelch Plans for Dummy Auto Finance Companies

MADISON, WIS.—Present state regulations allowing automobile dealers to retain \$8 to \$20 of the financing and insurance charges made to car buyers by finance companies may not be legally circumvented by the dealer forming a dummy finance company to get a bigger cut than he is now permitted, the Wisconsin attorney general has ruled. Finance companies, anxious to get business, have tried to find ways to pay dealers more than the \$20 maximum established by the state banking commission.

An appeal by General Motors Acceptance Corp. is now pending from a Dane county circuit court decision upholding the constitutionality of the state. GMAC wants to appoint dealers as its agents and pay them 25% commission on the insurance charge of finance deals, in addition to the \$20 maximum which it claims should apply only on the financing charge.

Under the plan ruled illegal by the attorney general a dummy finance company owned and controlled by the dealer would be formed simply to sell car financing contracts to bona fide lending agencies or finance companies. Dealers would get the legal share in the sale of their own companies and an added profit in the deal with the regular finance company.

The state banking department, which asked the attorney general whether it had authority to issue an order prohibiting the practice, was told that it could issue an order covering finance companies in which the 25% of the stock owned or controlled by a dealer or his stockholders or their families. The order would require profits to be counted as "dealer participation," now limited to \$20 a car.

Installment Plan Issue Further Debated in Mass.

The fire insurance installment payment premium question was further debated at a three day hearing before Second Deputy Commissioner T. H. O'Connell of Massachusetts. An interesting sidelight was the fact that Charles P. Butler, just recently resigned as executive vice-president of National Assn. of Insurance Agents, appeared in behalf of Corroon & Reynolds in opposition to the installment plans.

The hearing concerned particularly the filings of Liberty Mutual and North America.

Donald C. Bowersock of Boston Ins. Co., chairman of New England Fire Insurance Rating Assn., in his testimony against the North America plan voiced the belief that the companies could not justify the present term discounts "in equity to the annual policyholder" and he predicted that some adjustments will have to be made. He predicted that some day the companies generally will have an installment plan but he said "it won't be based on artificial and inflated figures." And also he said, "I doubt that we will give credit to people who say they don't owe us anything."

Liberty Mutual officials testified that this company considers the 5% charge on the unpaid balance as investment rather than premium income. The Liberty Mutual plan has a maximum of two years for payment, with an initial payment of 40%, then 30% at first anniversary and another 30% at second anniversary whether the policy is for three or five years.

B. M. Hermes, executive manager of N.E.F.I.R.A., declared that installment plans "would demoralize the insurance business." Hugh Garland, Corroon & Reynolds, and E. D. Sirois, Mutual Fire Insurance Assn. of New England, opposed the installment plan. Mr. Garland said that if any installment plan is to be approved it should require the insured to sign an evidence of debt.

Thomas C. Walton, Jr., of North America, testified on the automatic reinstatement of loss provision. He said that while the manual of the rating association calls for 50% of the fire rate for the unearned premium indorsement, the automatic reinstatement costs only 1/10 of 1% of the premium involved. Edward O. Proctor, for North America, predicted the controversy will go to the supreme court.

Other witnesses included John C. Phillips and Charles F. Littlepage, for North America; Walter H. Bennett, counsel for Massachusetts Assn. of Insurance Agents; Francis F. Alexander, of Liberty Mutual.

Asks New Asset Proviso for Foreign Insurers in Fla.

TALLAHASSEE, FLA. — Attorney General Ervin has recommended to Commissioner Larson that foreign insurance companies be required to hold at least \$250,000 of bonds or mortgages before being permitted to do business in Florida.

Mr. Ervin said that while it is not required of a company with headquarters outside the United States, he thought the assets demand could be made in the interest of public welfare.

Output Policy Situation

The joint committee on interpretation and complaint has bulletined companies that the automobile manufacturers output policy has been approved by departments in Connecticut, Michigan and New York and, therefore, the committee's interpretative bulletin that the policy violates marine definition does not apply there. The committee is advised that Louisiana and Virginia have disapproved the policy.

Landis Predicts More Suits on Agents' Liability

In his talk on legal aspects of agency at the Mutual Fire & Casualty Institute at Dallas last week, M. L. Landis, Van Wert, O., counsel Central Manufacturers, predicted an increase in the number of suits and claims between insured and insurance agents and brokers and also between insurance companies and producers. He also raised the question of whether a person holding a C.P.C.U. designation and advertising it will be held by the courts to a higher degree of care and importance than one without this title. There is no answer yet, but Mr. Landis offered a personal guess that this will happen. He pointed out that some insurers offering errors and omissions insurance for agents and brokers are specifically including liability imposed on the producer as a C.P.C.U.

As indications that suits against insurance producers may increase, Mr. Landis suggested increasing pressure for business by companies of all types and the resultant false sense of independence this creates with some agents, the increasing pressure group attitude of some producers' organizations, which can harden the attitude of companies against agents, and a reaction among many insurance company executives against what they believe to be excessive past pampering of agents. Mr. Landis, who has acquired prominence as an authority on the liability of insurance agents to the public and to companies, discussed the subject in considerable detail and went over ten leading court decisions on this matter.

Garage Policy Discussed

Mr. Landis also pointed out that some legal authorities have suggested that, in any case where a company is sued by an insured or claimant for a loss outside the policy conditions, but which is alleged to be covered because of representations or conduct of the agent, the company should either implead the agent, if permitted by court rules, or file a counter-claim against him. The theory is that this might bring the possible liability of the agent before the jury and thus perhaps get better treatment than it would should the jury think only an insurance company is involved.

There was much interest in the discussion of the new garage liability policy by H. C. Foster, Utica, N. Y., assistant secretary Utica Mutual, who was a member of the committee which drafted the contract. This talk was the only major change over the institutes in other cities during the past two years. Mr. Foster, after reviewing the changes, took the position that the new policy unquestionably cures "crank case" claims—cases in which the garage fails to put oil in the crank case or leaves the plug loose, with resultant damage to the gearings or cylinders. He also said that in his opinion the present language makes the policy cover many other business activities of a garage, if a premium is paid on all payroll, but that often it will be more economical to exclude the sale of other merchandise and insure such activities separately.

More Than 250 Attend

More than 250 attended the intensive three-day educational institute. Dr. George Haskell, economist American Mutual Alliance, sponsor of the course, was director of the institute and he got a hand for carrying on despite his neck being in a brace, due to a recent accident. James C. O'Connor, editor F. C. & S. Bulletins, moderated discussions and served as a lecturer.

In addition to Mr. O'Connor, who spoke on "Fire and Extended Coverage" and "The Storekeepers' Liability Policy," other lecturers and their topics were:

J. M. Breen, director of education

Lumbermens Mutual Casualty, "The Place of the Insurance Seller as a Front Line Producer"; George M. Blum of George M. Blum & Associates, Chicago, "Business Interruption Insurance"; W. H. Rodda, secretary Transportation Insurance Rating Bureau, "Inland Marine—The Prospectors' Line"; Herbert E. Clarkson, Jr., Northwestern University, "A Letter Clinic"; C. A. Wiborg, Lumbermens Mutual Casualty, "The Storekeepers' Burglary and Robbery Policy," and Dr. Frank H. Beach, University of Illinois, "Play It Like a Pro."

Security Adding \$1½ Million to Its Resources

Security of New Haven is offering to its stockholders of record April 12, the right to subscribe to one new share of new stock at \$30 per share for each five shares held. The subscription warrants expire May 2. This will increase the

capitalization by 50,000 shares. The offering is being underwritten by Charles W. Scranton & Co. and Day, Stoddard & Williams, joint managers of an investment banking group. Security stock was quoted Tuesday at 34½-35¼ and the rights at 90c-\$1.05.

Sargent, Koppang Directors

Preferred Accident has elected as directors Frank O. Sargent who recently retired after 45 years with Employers Liability, and Lewis F. Koppang, vice-president.



We are the marine department of the following companies.

Our complete underwriting, service, and claim facilities for inland, ocean marine, yacht, and air cargo lines are available to licensed agents of these companies.

Agricultural Insurance Company
The Allemania Fire Insurance Company of Pittsburgh
The British America Assurance Company
Empire State Insurance Company
Maritime Insurance Company, Ltd.
Merchants Fire Assurance Corporation of New York

The North River Insurance Company
Reliance Marine Insurance Company, Ltd.
Seaboard Fire & Marine Insurance Company
Southern Fire Insurance Company
Standard Insurance Company of New York
United States Fire Insurance Company
Westchester Fire Insurance Company
The Western Assurance Company

We maintain a field staff in Branch and Regional Offices located across the country. We welcome inquiries from agents everywhere and offer our experience to assist them in any marine insurance problem.



Appleton & Cox, Inc.

111 JOHN STREET

Home Savings Bank Building
Albany 7, New York

10 Pryor Street
Atlanta 3, Georgia

210 East Redwood Street
Baltimore 2, Maryland

141 Milk Street
Boston 9, Massachusetts

Crosby Building
Buffalo 2, New York

117 East Third Street
Charlotte 2, North Carolina

Insurance Exchange Building
Chicago 4, Illinois

Union Commerce Building
Cleveland 14, Ohio

Patterson Building
Denver 2, Colorado

National Bank Building
Detroit 26, Michigan

NEW YORK 7, NEW YORK

251 Trumbull Street
Hartford 3, Connecticut

East Market Building
Indianapolis 4, Indiana

916 Walnut Street Building
Kansas City 6, Missouri

530 West Sixth Street
Los Angeles 14, California

Roanoke Building
Minneapolis 2, Minnesota

Pacific Marine Insurance Agency, Inc.
 Regional General Agency
 Los Angeles, San Francisco, Seattle

Frank Rimmer and Company
 Regional General Agency
 Dallas, Houston, Oklahoma City, Lubbock

George S. Kausler, Limited
 Regional General Agency
 New Orleans

Agents who want QUICK SERVICE ON CLAIMS



Place their Business with

Gulf and ATLANTIC



GULF INSURANCE COMPANY
ATLANTIC INSURANCE COMPANY

FIRE AUTOMOBILE INLAND MARINE

WHAT DO YOU THINK ABOUT YOUR ADVERTISING?

THE type of service an agent renders is often reflected in the character of information he places at the disposal of his clients. Good quality literature is not only informative, it also is properly representative of an agent's prestige and indicative of the calibre of his Company.

Agents of the Royal Exchange Group, complimentary of their Company advertising, regard this material highly. Beside being attractive and of good quality, it is soundly practical in that it clearly and tersely presents "to-the-point" facts which busy prospective clients want to know quickly.



The Royal Exchange established in 1720 is one of the oldest and strongest insurance institutions in the world. It is known for its outstanding service to agents and insureds.

Royal Exchange Group

ROYAL EXCHANGE ASSURANCE
Edward W. Ekwell, United States Manager

PROVIDENT FIRE INSURANCE COMPANY
THE STATE ASSURANCE COMPANY, LTD.
CAR AND GENERAL INSURANCE CORP., LTD.

111 JOHN STREET, NEW YORK

FIRE & CASUALTY INSURANCE
FIDELITY & SURETY BONDS

Representation in Principal Cities of the United States
and in Most Countries Throughout the World

Carriers Resolving Overlaps on Glass and B. & M.

NEW YORK—The overlapping of coverages between fire, marine, and casualty contracts, and efforts of the industry to evolve equitable means of apportioning losses through the guiding principles were discussed by K. L. McCallum, general adjuster of Travelers Fire, at the April meeting of Insurance Accountants Assn. here. Jeremiah Donovan of Travelers is president of the group and was in the chair. About 75 attended.

National Board and Assn. of Casualty & Surety Companies now are working on a statement of guiding principles for boiler and machinery losses, as between fire and casualty contracts, Mr. McCallum said. This would effect a solution to what the fire companies regard as a problem created by the amount applicable clause in the casualty policy. The application of this apportionment clause was such that its use put on the fire company the major portion of the loss when a machine (not a steam boiler or turbine) insured by the casualty company explodes, though the casualty company would pay the entire loss if there were no fire coverage.

Casualty to Pay First Thousand

There is also about to be completed an agreement between fire and casualty companies on glass. The practice has been that casualty companies paid the glass loss, then claimed against the fire companies under, say, the windstorm feature of the extended coverage. The amount salvaged in this way was not a great deal. The proposal is that casualty companies will treat glass as specific insurance up to \$1,000 and then there will be contribution between fire and casualty policies above that. There are not many individual glass losses that go above that figure.

In general the guiding principle agreements follow the same pattern, he said. This is that the bailee insurance is the primary cover, which represents a deviation from the attitude of the courts in such cases. The specific insurance is applicable first and the blanket pays any excess losses.

Revoke Ohio Agent Licenses of Automobile Concerns

COLUMBUS—The Ohio department has revoked the licenses of three automobile concerns holding licenses as representatives of Motors Insurance Corp. and their solicitors on the ground that a majority of the insurance written by the agents was not on uncontrolled business.

The agents are: George C. Llewellyn, Lorain; Bailey Buick, Inc., Charles C. Edmonds, Orwin E. Moodie and Boyd W. Morcombe, all of Lakewood, and Henry Sieve Motor Co., Henry B. Sieve, Jr., and Sylvia E. Sieve, Cincinnati.

The opinion says Llewellyn has placed or effected insurance on 189 motor vehicles, of which 187 policies or approximately 99% were on automobiles sold by the Llewellyn Motor Co. Bailey Buick issued 263 policies, all of which were on motor vehicles sold by that firm.

Henry B. Sieve, Jr., sold 57 policies, all on automobiles sold by Henry Sieve Motor Co., or 100%. Sylvia E. Sieve placed insurance on 26 motor vehicles, of which 22 policies, or about 83%, were on motor vehicles sold by Henry Sieve Motor Co. As to the Henry Sieve Motor Co., all policies having been sold by Henry B. Sieve, Jr., and Sylvia E. Sieve, the total as indicated was 83 policies, a total of 95%, as 79 were on cars sold by the company.

In each case it was found that the principal use of the license was to place insurance on property of which the agents were the vendors.

THE PHOENIX-CONNECTICUT GROUP of Fire Insurance Companies



The Phoenix
Insurance Company, Hartford, Conn.
1871

The Connecticut
Fire Insurance Co., Hartford, Conn.
1850

FOUITABLE
Fire & Marine Insurance Company
PROVIDENCE, R.I.
1859

ATLANTIC FIRE INSURANCE CO.
Raleigh, North Carolina

THE CENTRAL STATES FIRE INS. CO.
Wichita, Kansas

GREAT EASTERN FIRE INSURANCE CO.
White Plains, N. Y.

MINNEAPOLIS F. & M. INSURANCE CO.
Minneapolis, Minn.

RELIANCE INS. CO. OF CANADA
Montreal, Canada



HARTFORD
30 Trinity Street

CHICAGO
Insurance Exchange

NEW YORK
110 William Street

SAN FRANCISCO
220 Montgomery Street

MONTREAL
485 McGill Street



All Forms of Fire and
Property Insurance including
Ocean and Inland Marine

Country-wide Brokerage Service

TIME TRIED & FIRE TESTED

Stone Assails FTC Maneuvers

Insurance Director Stone of Nebraska, in addressing the 1752 Club of his state at a banquet at Omaha, called on all hands to put up their mitts to block a campaign to get insurance regulation into the hands of Washington. He paid his respects, particularly to federal trade commission. He said that FTC is attempting to usurp this important field of regulation and mentioned what FTC had done in the mail order insurance field and what they proposed to do at one time in connection with auto finance business. He said they are investigating the marine and inland marine business, they are investigating the activities of some automobile insurers and an FTC man made investigation and inquiry at the Nebraska insurance department.

He said that certain members of FTC hope to bring about insurance regulation comparable to that of railroads where interstate commerce commission is in almost complete control.

Challenge in Mail Order Rules

The mail order insurance rules, he said, constitute a direct challenge to state supervision. Nebraska has a fair trade practice act and Mr. Stone said he intends to enforce it. Hence, he feels that the state having assumed and exercised its jurisdiction, FTC lacks authority to act. He said he doesn't want unnecessarily to involve his companies in a lawsuit to test the jurisdiction of FTC but sooner or later there will have to be such a court determination.

He emphasized that while public law 15 may protect the companies from some of the acts passed under the commerce clause of the federal constitution, they can still be dealt with for illegal use of the mails. He expressed the belief that such actions will have a more salutary effect than the adopting of a set of advertising rules.

There were about 75 members at the meeting.

Other speakers included A. P. Jones, Mill Owners Mutual Fire of Des Moines, J. J. Hill of Underwriters Adjusting, Russell Wellman, Employers Mutual Casualty, J. Fred Harlan, Standard Reliance, and Dr. Joseph F. Gross, Omaha bone specialist.

Chairmen of the sessions were John Mountain, Surety of Omaha, and Robert S. Somerville, Employers Mutual Casualty.

Freezing of Pipes Direct Damage by Explosion

Damage caused by the freezing of water within plumbing and heating pipes of a dwelling that resulted from the failure of an oil burning furnace to function because of an explosion in the combustion chamber is a direct damage by explosion so as to permit recovery under the fire and E.C. policy, according to the Minnesota supreme court in Mork et al. vs. Eureka Security F. & M. The occupants of the insured dwelling at St. Paul were absent for several days during December, 1946, and upon their return they discovered that an explosion had taken place within the fire chamber of the furnace. Heating experts said that a leak in the hot water coil had permitted water to come in contact with the hot fire brick, thus creating enough steam to cause an explosion and throw open the furnace door. The escaping water caused a short in the electrodes which put the oil burner out of operation. As a result the water in every radiator was frozen and the radiators damaged as was also certain plumbing.

Loss Within Intent of Contract

The court expressed the belief that the loss was within the reasonable intent of the parties when they made their contract. It said that when the contract was entered into, it could reasonably have been foreseen that, in freezing

weather the furnace were put out of commission by an explosion and the heat supply thus cut off, the water in the heating and plumbing systems would freeze and burst the pipes. It is reasonable to say that the parties contracted with reference to the contingency of an explosion in the furnace with the resulting stoppage of heat. If they contracted with reference to such a contingency, did they not also contract with reference to what inevitably must follow such an explosion if it occurs in sub-zero weather. The freezing was not remote to the occurrence of the explosion but was an immediate and direct result.

Cuban Insurer Creates Trust Fund

La Commercial Ins. Co. of Havana has officially established a U. S. trust account, with Union Trust of Providence acting as depository.

President J. D. Guinness stated the account was opened with \$250,000 and that this was more than ample to cover premium and loss reserves on existing American business. He added that all future American premiums would be deposited in this fund and the account

would be periodically increased from Cuba, if it should become necessary to do so in order to create a proper margin of coverage for American clients.

Support Driver Education

HARTFORD—Agents here are supporting a proposal for automobile-driver education in the city's high schools. They have asked the board of education to allocate funds so that instruction can begin by next September. It is intended that instruction include not only the handling of a car on the road, but also safety principles and attitude toward other drivers.

FACED WITH A BUYER'S MARKET

The GENERAL is a Buyer's Company!

As a buyer's market becomes more and more evident, alert agents meet it with strong, aggressive sales organizations armed with up-to-the-minute insurance contracts.

General America is founded on the principle that insurance can be written from the insured's point of view . . . forms which offer a better plan for him, hence are easier to sell. Made-to-measure coverages, plus a reputation for prompt, fair settlement of claims, gives agents a "package" backed by stock company service and indemnity, and that's what they need to win the buyer's confidence!

GENERAL INSURANCE COMPANY OF AMERICA
FIRST NATIONAL INSURANCE CO. OF AMERICA
GENERAL CASUALTY COMPANY OF AMERICA

H. K. DENT, Pres. • HOME OFFICE: SEATTLE, WASHINGTON



General Insurance Pioneered These Plans

FOR YOUR CLIENTS

1. "Preferred Risk" plan of fire insurance . . . strong capital stock fire insurance at substantial savings to thousands of owners of preferred properties.
2. All-inclusive blanket liability for the business and professional man.
3. Householders' ULTRAPOLICY . . . includes fire, auto, liability, personal property — coverage from almost every conceivable angle.
4. Farmer's Blanket Liability policy.
5. Modern "Pay as protected" Premium Budget Plan.

Break Ground for New Home Office of New Hampshire

Ground has been broken for the new home office building of New Hampshire Fire at Manchester.

The new 3-story building will be of fireproof construction and will be air conditioned. The structure will be 280 feet long and 87 feet wide. A heating plant and a 100-car parking lot will be at the rear. Architects are Cram & Ferguson of Boston and the contractor is George A. Fuller of New York.

It is expected that the building will be completed in about a year. The exterior will be of gray granite, occupying the center of a large lot running 476 feet. It will be 100 feet away from the street line and the land between the street and the building is to be landscaped with a circular driveway in front of the main entrance.

On the first floor will be the marine accounting, reinsurance, and claim and

statistical departments. The underwriting department will occupy the entire second floor, while the third floor will house the executive offices, a directors room, the automobile department, and the executive offices of American Fidelity, the casualty subsidiary, whose home office is at Montpelier, Vt.

In the basement will be a cafeteria for employees and the supply department.

New Hampshire has been occupying its present building for 35 years and has recently been cramped for space. The supply department has been in a former shoe company factory while the executive offices of American Fidelity have been in still another building.

There are 250 employees at the home office, but when the company moves the personnel will be increased to more than 300.

Independent Adjusters Hold Chicago Parley

A regional business session of National Assn. of Independent Adjusters was held at Chicago Wednesday morning followed by a lunch attended by

about 100 adjusters and company people from Chicago. At that time a paper was read by Ross Whitney of Chicago, former president of the association.

Plans were discussed for the annual meeting at French Lick, Ind., June 22-24, with Benjamin Horton of Louisville, who is in charge of arrangements. I. T. Swain, the executive secretary, was able to attend, although he had just been released from the hospital. Officers on hand included Robert M. Hill of Detroit, vice-president, and Glenn E. Baker of Ft. Wayne, regional vice-president.

Home Gives Felix Hargrett Broadened Executive Duties

Felix Hargrett, vice-president and secretary of Home, has been transferred from the service to the executive department. He will devote his time to broadened operations under multiple line authority and do research and study to develop fire and casualty procedures. He will continue to guide the company's underwriting practices at the home office.

E. E. Stempel Goes to Higher Rank in A.I.U.

American International Underwriters has appointed Ernest E. Stempel as assistant secretary to supervise the agency, foreign deposit and reinsurance department. This department was formerly directed by L. C. Richardson, Jr., prior to his election as vice-president and manager of the casualty underwriting department.

Mr. Stempel will continue also to serve as assistant to E. A. G. Manton, president of A.I.U.

After his graduation from Manhattan College in 1938, Mr. Stempel joined A.I.U. and since then has served in various capacities at New York, with the exception of wartime service in the navy, from which he was released with the rank of lieutenant. He has a law degree from Fordham and master of laws and doctor of juridical science degree from New York University.

E. A. Toale to N.A.I.A.

Eugene A. Toale, supervisor and instructor in the education department of Fidelity & Casualty, has been appointed assistant director of the educational and research division of National Assn. of Insurance Agents. He was with Continental Fire before the war and after five years naval service he became an underwriter for the automobile physical damage department. Later he was senior underwriter for fire and casualty lines in New England territory. He is a C.P.C.U.

The Los Angeles offices of Markel Service and American Fidelity & Casualty have been moved to 1123 Wilshire Blvd.

Pa. Commissioner

Artemas C. Leslie, Pittsburgh attorney who has been appointed Pennsylvania commissioner, is a graduate of Princeton and Pennsylvania law school. He has been a leader in the Republican organization in Pittsburgh for many years, and has served for several years as district attorney of Alleghany county.



Artemas C. Leslie

Canadian Fire, Casualty 1949 Premiums Given

Fire companies operating in Canada in 1949 had a substantial premium increase combined with more favorable experience. According to the final figures issued by R. W. Warwick, Canadian superintendent, fire companies had net premiums of \$103,809,969, compared with \$98,191,514 in 1948. Canadian companies accounted for \$23,577,484 of the total, with British companies marking up \$40,773,520 and foreign (largely American) companies recording \$39,458,765.

Net losses incurred amounted to \$46,548,822 against \$45,143,565 in 1948. The earned premium figure is \$95,721,325.

There was a sharp increase in automobile premiums, the total being \$73,254,137, a gain of about \$12 million from the 1948 figure of \$59,334,767. Incurred losses were \$38,511,342, producing a loss ratio of 52.5% as against 53.5% in 1948.

Personal property floater premiums amounted to \$13,352,963 compared with \$11,820,012 in 1948. Losses incurred dropped to \$5,783,379 from \$6,211,926 and the loss ratio declined to 43.3% from 52.6%.

Casualty Total \$156 Million

Total premiums for all classes of casualty business amounted to \$156,661,848 compared with \$132,529,168. Losses incurred were \$77,015,367. Canadian companies reported casualty premiums of \$63,742,817. British companies had \$34,338,036 of the total, while foreign companies took in \$65,580,631.

By principal lines premiums for classes were: personal liability, \$6,388,899; public liability, \$7,493,598; employers liability, \$2,475,461; fidelity, \$1,758,326; surety, \$1,686,605; hail, \$2,887,598; inland transportation, \$2,992,046; A. & H., \$5,793,116; theft, \$3,365,062.

Williams to Speak

The Assn. of Local Agents of the City of New York at its April 26 luncheon will hear T. Morgan Williams, vice-president of Home, on the importance of association leadership.

AGENCY FOR SALE

An insurance agency in Northern Indiana with a premium income of \$50,000. Will sell for \$12,000 cash.

For particulars write

FERGASON PERSONNEL

330 S. Wells Street HARRISON 7-9040
Chicago 6, Illinois

Coats & Burchard Company

Appraisers

For correct coverage and proof of loss

Chicago
Detroit
Cleveland
Indianapolis



New York
Nashville
Dallas
Burlington, N. C.

The Pioneer Organization

A PLACING OFFICE FOR DIFFICULT LINES INCLUDING LONG HAUL (SINGLE UNITS or FLEET)

ALL CLASSES SUCH AS
COMMON CARRIER — COMMODITY CARRIER
GASOLINE TRANSPORT — AUTO CARRIER TRANSPORT
HAULERS OF PRODUCE, EGGS, FISH, MEAT, ETC.

Public Liability & Property Damage

Fire, Theft & Collision
(New Equitable Rating Plan)

Cargo TAXICABS U-DRIVE-IT

GENERAL LIABILITY — SURPLUS FIRE
EXCESS - ALL LINES

We invite your inquiry

STAUNTON, GLOVER & CO.

CHICAGO 4, ILLINOIS
175 W. Jackson Blvd. HARRISON 7-5807

STATE MANAGER WANTED

Excellent opportunity in the State of Minnesota as resident manager and supervisor of agency appointments, business development plans and sales supervision for legal reserve, non-assessable fire and allied lines company with 50-year record of operation. Age range 25 to 40. Write for interview.

HOME MUTUALS

412 ZUELKE BUILDING APPLETON, WISCONSIN

Insurance Interests Rally to Preserve Conn. Department

HARTFORD — Insurance interests here fired back at the proposal by the state government organization commission that the Connecticut insurance department be lumped into a recommended commerce department. They also offered a stout rebuttal to commission criticism of the present efficiency of the insurance department.

Hearings were held before a 68-member committee of the general assembly. Top insurance leaders, together with those in the banking, public utilities and industries, were on hand to denounce the commission's recommendations.

Insurance company opposition was led off by Millard Bartels, vice-president and general counsel of Travelers. Mr. Bartels said that making the insurance department a bureau in the commerce department would not provide better management. Combining insurance supervision with other regulatory duties, he argued, would only result in confusion. He noted that insurers pay about \$6 million a year to the state in taxes. That fact alone, he said, justified supervision of the business by a separate agency.

Mr. Bartels was followed, and his sentiments echoed, by Morgan B. Brainard, president of the Aetna Life companies. Mr. Brainard said the suggested rearrangement would not produce economy. It would, he said, "seriously affect the prestige of the Connecticut insurance department," which is favorably known throughout the country.

Peter M. Fraser, president of Connecticut Mutual Life, said the present department is "outstanding." He, too, opposed any changes, as did Frank Layton, president of National Fire.

Winding up the presentation for insurance was Paul DeMacarte, president of Hartford Life Underwriters Assn. who also opposed any changes in the present regulatory system.

The only kind words for the organization commission's proposal came from representatives of labor unions, who have endorsed the report in general.

The general expectation is, in the wake of the one-sided hearing, that little more will be heard from this particular aspect of the reorganization proposal.

Superior Makes Field Shifts

Superior of Dallas has added two new special agents and shifted territories of its present staff in Texas.

Larry C. Nelson, oldest of the Superior field force in point of service, has been called into the home office to serve as assistant to Vice-president J. H. Abright. Gene Bybee, heretofore servicing west Texas territory, has been transferred to central Texas, replacing Mr. Nelson.

The two new field men are E. Weldon Surratt, who will handle west Texas out of Lubbock, and J. G. Tinnin, who will service east Texas, working out of the Dallas office.

Mr. Surratt is a marine corps veteran. He holds an engineering degree from Purdue. Mr. Tinnin attended Southern Methodist University, with an industrial engineering course at Segur Engineering School.

Southwest Texas will continue to be serviced out of San Antonio by Martin Black.

Flora V. Kelly is retiring from her position with Grand Rapids Insurance Agency, with which she has been connected 36 years. Her span of insurance service in Grand Rapids covers a total of 41 years. A tea was held in her honor in connection with her retirement and then the firm was host at a dinner for her at Kent Country Club. Charles G. Watkins and George C. Bickle were

in the firm when Mrs. Kelly was first employed and they, with Ray L. Van Kuiken, were the official hosts at the dinner.

She has been chief policywriter in the fire insurance department of the agency. In her earlier years she was with the W. Fred McBain agency.

Final Winecoff Chapter

Final settlement has been effected of the claims arising from the Winecoff hotel fire at Atlanta in 1946 in which 119 persons perished. Payment totaling \$210,103 was made by the hotel receivers under 157 checks. This was prorated among damage judgments totaling \$3,416,538. The funds came from the assets of the operators of the hotel at the time of the fire and \$75,000 from the company that bought the hotel after the fire.

Postpone State Law Survey

Consideration of the report on survey of state laws and regulations by federal trade commissioners was postponed from Monday, owing to absence of two out of four commissioners. However, such consideration was projected for later in the week.

Sears Sues Fla. Insurer for \$910,000

Sears, Roebuck & Co. has brought an action in federal court in Florida to compel Federal Title & Insurance Co. of Miami Beach to pay damage claims amounting to \$910,342. According to the suit, Federal Title & Insurance which amended its charter some time ago in order to engage in writing fire insurance, wrote a cover for Sears, Roebuck in 40 states, Cuba and Hawaii. The initial premium was \$800,000 and the policy went into effect Jan. 31, 1949 according to the suit. It charged that since that time, losses totaling \$910,342 have occurred, but that Federal Title & Insurance has paid no claims. These losses include \$293,645 from a fire at Mobile, Ala., \$118,500 at Elwood, Ind., \$112,918 in the Seattle earthquake.

Federal Title & Insurance is owned by interests identified with North Shore Bank of Miami Beach, Industrial Savings Bank of Miami, and Miami Beach Federal Savings & Loan Assn. The main individuals interested, it is said,

are Baron de Hirsh-Meyer and Leonard L. Abess.

Central Union Is Merged into American Union

Central Union of the Scottish Union group has been merged into American Union. The two companies at Dec. 31, 1949 had combined assets of \$7,306,148 and combined capital, surplus and special reserves of \$4,490,198. Their premiums amounted to \$2,727,408.

Big La. R. R. Fire

Loss will probably exceed \$200,000 in a Texas & Pacific Railway fire at Addis, La. The risk was largely insured in Railroad Insurance Assn. A 25-car fast freight was derailed, a tank car supposedly exploded, and 19 freight and tank cars were destroyed along with three tractor-trucks, one loaded with whisky worth \$75,000, railway cars on a siding and depot and loading platforms.

"Proper Insurance for the Garage Owner" is being discussed by Frank R. Milley and Ralph L. Patton of W. A. Alexander & Co. at a dinner meeting Thursday of Springfield (Ill.) Assn. of Insurance Women with the Insurance Women of Decatur as guests.



What policy takes care of this?

Be careful! There's more here than meets the eye! This is a tough question...

"While driving into town to have my dog clipped by a veterinarian, I see a friend walking and stop to pick him up. As my friend enters my car my dog attacks and severely bites him. What policy takes care of this?"

Comprehensive Personal Liability policy? Automobile Liability policy. Or some other policy?

Want to know the answer? Ask the Advertising Department for "True or False" #20. You'll be surprised.

CASUALTY • FIRE • MARINE

ROYAL-LIVERPOOL Group

150 WILLIAM ST., NEW YORK 8, N. Y.

ROYAL INSURANCE COMPANY, LTD. • THE LIVERPOOL & LONDON & GLOBE INSURANCE CO. LTD. • AMERICAN & FOREIGN INSURANCE CO. • BRITISH & FOREIGN MARINE INSURANCE COMPANY, LTD. • THE NEWARK FIRE INSURANCE CO. • QUEEN INSURANCE COMPANY OF AMERICA • STAR INSURANCE COMPANY OF AMERICA • THAMES & MERSEY MARINE INSURANCE COMPANY, LTD. • EAGLE INDEMNITY COMPANY • GLOBE INDEMNITY COMPANY • ROYAL INDEMNITY COMPANY

U. S. Loses in Texas City Case

(CONTINUED FROM PAGE 1)

case. The seven were Thomas Fletcher, John R. Brown, Austin Y. Bryan, Jr., Vernon Elledge, M. S. McCorquodale and T. E. Mosheim, all of Houston, and Neth L. Leachman of Dallas. The firm of Markwell & Stubbs, Galveston, represented the Dalehites. The government's attorneys were Brian S. Odem, U. S. attorney; George O'Brien John, special assistant to the Attorney General, and Joseph W. Cash, of the Department of Justice, Houston.

The federal tort claims act, under which the suit was brought, permits attorneys to charge a contingent fee not to exceed 20%.

A breakdown of the claimants reveals that 1,510 sued on death claims for 560 persons, 988 others on personal injury claims, and 5,987 on property damage or destruction, the total being 8,485.

Liberty Mutual's Stake

Liberty Mutual's workmen's compensation loss payment at Texas City was \$1,300,000. Its net loss was \$250,000, the balance having been recovered from reinsurers.

If this decision is finally upheld by the U. S. Supreme Court, it will mean that London Lloyds and other reinsurers will reap the largest and most immediate benefits. However, such recoveries will constitute important credits in reinsurance accounts and it will have the effect of reducing the rates for reinsurance paid by originating companies

and syndicates over a period of years.

According to the best authorities life and A. & H. contracts are not contracts of indemnity and, therefore, such insurers are not entitled to subrogation.

Social security board a few months after the disaster estimated the aggregate paid as result of the Texas City blast by all private life and accident companies is between \$3 and \$4 million ordinary, industrial and group. Metropolitan paid out approximately \$1,100,000 for group liability on Monsanto employees. Equitable Society on its two group contracts and about 12 individual policies paid out \$643,745 divided \$310,000 on one group, \$101,000 on another and \$232,745 on individual policyholders. Continental Casualty paid \$81,000 under its group contract on volunteer firemen killed in the blast.

F.I.A. Sends Policyholder "Public Relations Report"

Factory Association has prepared a public relations annual report entitled, "Industrial Protection," which is being distributed to policyholders, agents and brokers.

The report tells briefly of the F.I.A. at work and of the personnel who handle the details necessary to consummate contracts and services.

The 20-page, two-color, illustrated booklet delineates some of the high points of F.I.A. underwriting, engineering, inspection, loss adjustment, research, public relation, personnel and educational activities during 1949.

Mrs. Clarence C. Henson is giving a book review at the meeting of Insurance Women of New Orleans Thursday evening.

Viehmenn New N.A.I.C. Zone 4 Chairman

(CONTINUED FROM PAGE 1)

supervisory and rating work with the Minnesota department and the fact that he has a background that would cause him to be impartial, and he has worked for both stock and mutual casualty companies.

The second important step was the united front offered by N.A.I.C. in the FTC hearing on auto finance packing in opposition to the proposed rule that would have given FTC direct supervision over insurance companies in connection with auto finance matters. Mr. Forbes was able to announce that FTC in the latest version of its rules had removed reference to insurance companies.

Three-Ring Procedure

The first morning proceedings were on a three-ring basis. In one session were the chief examiners, actuaries and deputies taking up an assortment of matters, and elsewhere there was a gathering of rating deputies dealing with casualty matters, and another gathering of rating deputies considering fire insurance questions.

The commissioners were in executive session that afternoon taking up, it is understood, matters concerning the central office and other questions, and the next morning the commissioners heard reports from the staff meetings.

Lloyd Yaudes of Michigan brought up the question of definition of resisted claims on page 5 of the annual statement blank. The recommendation was that the blanks committee be requested to clarify this entry either by changing the heading to "claims in suit" or by a footnote if the entry is to include more than that. The staff people said that if it is to include only claims actually in suit, it is a useless item and should be eliminated.

Minimum Premium Question

The rating deputies recommended that commissioners ask the insurance people to submit a working guide, formulae or definition of a minimum premium including factors used in its promulgation and the purpose of minimum premiums. The deputies said that they understood that casualty companies are doing this.

The deputies appointed a three-man committee to work with the companies on a guide for filing requirement, consisting of Mr. Yaudes, L. T. Coddington of Illinois and Sam Orebaugh of Iowa.

Mr. Forbes' birthday occurred during the course of the meeting and his fellow commissioners presented him with a check with which to buy some golf clubs.

K. S. Ogilvie, assistant manager of Western Underwriters Assn., told the rating deputies about the insurance scholarship plan at Illinois Institute of Technology.

The commissioners adopted a recommendation of the staff people that the states be requested to require the factory mutuals to complete the expense exhibit. The staff people said that factory mutuals are now reporting all their premiums under the fire heading and no breakdown is given for related lines. This is particularly objectionable in its relationship to the expense exhibit, they declared.

The staff committee reported that they had appointed a committee consisting of Commissioner Lange of Wisconsin and John Powell of Illinois and Albert Burger of Minnesota to conduct a study of agent licensing procedures with the idea of developing something that would be less costly for the companies and less difficult for the states.

In the discussion at the staff meeting, Wisconsin voiced some objections to the permanent licensing on the ground that it is difficult to get the licenses back from agents when cancellation occurs and also that some of the companies requisition licenses for inactive agents. The Michigan representatives expressed satisfaction with the permanent plan.

The Iowa people said they are considering it.

The staff people had a recommendation that the reserve requirements for A. & H. be increased to provide for possible future losses. The theory was that presently, due to the favorable business cycle, and to the large amount of new business, etc., the loss ratios are abnormally good and that some companies that are thinly financed might get into trouble if a deflationary period set in and the claim ratio took a turn for the worse.

The commissioners were told that a statistical plan had been agreed on for crop hail insurance. The form will be submitted to each state for use if it so desires.

Another recommendation was that the states undertake to get more funds in their budget requests so as to employ competent and sufficient help.


The question was raised about the handling of premiums of American Mutual Reinsurance and the decision here was to await the report of the uniform accounting committee.

Finance-Insurance Issue

The Illinois department brought up questions concerning the operation of American bank credit plan sponsored by American Installment Credit Corp. of New York that is advertised as a "dealer-bank plan offered exclusively through dealers." According to the Illinois department there appeared to be involved, at least in the Illinois plan, insurance arrangements with Industrial of Des Moines, Bankers Security Life of New York and Continental Casualty.

The Illinois department recently had an informal discussion with representatives of American Bank Credit Plan and officers of Aurora Assn. of Insurance Agents, the latter being opposed to the plan.


Walter Hanson of the Illinois department said that while the plan purportedly does not involve payment of insurance commissions to automobile dealers yet the local agents that are protesting say that the dealer reserve amounts to the equivalent of about 20%



FIRE PREVENTION?

What's in it for me?

What you get out of fire prevention work depends on what you put in. An active part can win you friends, profits, prestige. And... if your efforts should save a building or a life... you'll get a deep-down satisfaction that money can't buy.



THE London Assurance

99 JOHN STREET • NEW YORK 7, N. Y.


MARSH & McLENNAN

INCORPORATED

Insurance Brokers

CONSULTING ACTUARIES
AVERAGE ADJUSTERS

Chicago New York San Francisco Minneapolis Detroit Boston
Los Angeles Pittsburgh Seattle St. Louis St. Paul Duluth
Indianapolis Portland Superior Cleveland Buffalo Columbus
Phoenix Vancouver Toronto Montreal Havana London



BOOK VALUES NOT INSURABLE VALUES

To depend on book values for insurance is dangerous. Current values established by appraisal furnish the proper basis for coverage, re-rating, and proof of loss.

The AMERICAN APPRAISAL Company

Over Fifty Years of Service
OFFICES IN PRINCIPAL CITIES

commis
nancing
fied ch
breakd
seemed
ting ide
with co
licensing
sota sai
dealers
time dif
At on
uties i
tion
rating a
Bureau
Joseph
spoke b
sion of
rate fili
At th
atic tale
of H. Z
sylvania
came cl
an ope
Kahaner
were on
Burks,
L. H. C
Illinois.
Central
Accor
chairman
committ
tually n
central c
mittee l
Tollack
all conv
N.A.I.C.
uling m
sioners
proceedi
departm
serving
through
obtain i
ments b
also to
on natio
clearing
a file to
company
"unfair."
monthly
The s
national
the cent
should f
tion bur
Supporti
Depart
sion exh
certain
had acc
without
support
ent ratin
the time
filings th
for addi
organiza
panies h
on the g
ready be
for suppo
partment
hearing
holds a
falls upo
the filin
the state
which it
partment
sulted in
requirem
It was
replacem
on farm
present
for more
ness if t
Multiple
The de
the desir
states in
ily dwell
Some
present
cream of
and mach

commission on the insurance. The financing charges are given on a simplified chart and there is an absence of breakdown. The Illinois department seemed mainly to be interested in getting ideas on how this is being squared with countersignature regulations, agent licensing, etc. Albert Burger of Minnesota said that his state tries to compel dealers to show the price element in time differential charges.

At one of the sessions of rating deputies there was a discussion of the question of optional features of schedule rating and William Heinrich of National Bureau of Casualty Underwriters and Joseph Muir of the mutual organization spoke briefly. There was also a discussion of retroactive effective dates for rate filings.

At the banquet some resonant, operatic talent was uncovered in the person of H. Z. Miller, vice-president of Pennsylvania, Life, Health & Accident, who came close at one time to embarking on an operatic career. He and C. A. Kahaner, president of that company, were on hand being escorted by Marion Burks, Chicago attorney. Pennsylvania L. H. & A. has just been entered in Illinois.

Central Office Duties

According to Hershey of Illinois, chairman of the N.A.I.C. central office committee, a monthly bulletin eventually may be published by the new central office. Mr. Hershey said his committee has defined the duties of Mr. Tollack as including the handling of all convention, committee and other N.A.I.C. meetings and activities, scheduling meeting dates, advising commissioners and reporting and printing proceedings. Also, developing a file of department rulings and court decisions; serving as communication center through which each department may obtain information from other departments by circularization. Mr. Tollack is also to maintain a file on state actions on national uniform filings; to act as clearing house on complaints and keep a file to assist in determining if any company has pursued actions considered "unfair." And, finally, to publish a monthly bulletin.

The suggestion was made also that national rate filings should be made with the central office, and that this office should function as a general information bureau.

Supporting Data Issue

Department men at the fire rating session exhibited an unhappiness about a certain number of filings which they had accepted as a matter of expediency without what they regarded as a proper support in the earlier days of the present rating system. Now that they have the time and the staffs to review these filings they have made several requests for additional data from the company organizations. In some cases, the companies have refused to submit this data on the grounds that the filings have already been accepted and that the time for supporting them has passed. The department men in such cases can call a hearing on the filing. When the state holds a hearing, the burden of proof falls upon the department to show that the filing is unrealistic. This requires the state to muster considerable data which it cannot hope to obtain, the department men say. The situation has resulted in the states tightening up their requirements for new filings.

It was brought out at the session that replacement insurance is being written on farm buildings in some states. Those present agreed that the way was open for more companies to write this business if they chose.

Multiple Family Dwellings

The department rating men expressed the desire for more uniformity between states in the treatment of multiple-family dwellings.

Some of the industry representatives present commented that much of the cream of the business on farm vehicles and machinery is being skimmed off un-

der inland marine forms to a degree that has had an adverse effect on farm business.

At the insistence of the industry group, the state rating men and the industry representatives agreed to launch once more a study of filing rules. According to Henry Moser, chairman of Allstate, the industry "has a committee and wants a fresh start" on this problem which has been much discussed but on which no agreement has been reached. The department men and the industry representatives will proceed on both fire and casualty rules with emphasis on the casualty rules where the problems are greater. The zone commissioners' committee announced its intention to restudy the entire situation.

Scull with Wichita Agency

Walter E. Scull, with Travelers Fire nearly 25 years and for five years assistant manager at Kansas City for Kansas and western Missouri, has resigned to form a partnership with Clint C. Anderson of Wichita. The new firm name is the Clint C. Anderson-Scull Agency. Graduating from University of Wisconsin in 1926, Mr. Scull shortly afterward joined Travelers at the home office, later being assigned to Peoria, Ill. He has been active in Kansas field organizations.

Commissioners at Zone 4 Parley



INSURANCE COMMISSIONERS ATTENDING ZONE 4 MEETING AT CHICAGO, PICTURE BY HARRY H. FULLER, DEPUTY U. S. MANAGER OF ZURICH.

From left—Hershey of Illinois; Graves, Arkansas; Sullivan, Kansas, chairman executive committee; Alexander, Iowa; Forbes, Michigan, president N.A.I.C.; Leggett, Missouri; Burt, South Dakota; Lange, Wisconsin; Armand Harris of Minnesota, outgoing chairman of zone 4, and Viehmann of Indiana, new chairman.

Absent when picture was taken was Krueger of North Dakota.

New Titles for G.A.B. Men

W. H. Davidson, executive supervisor in the southeastern department of General Adjustment Bureau at Atlanta, has been appointed executive general adjuster in order to describe his duties more clearly. Mr. Davidson's responsi-

bilities remain unchanged.

Charles R. Dickert has been advanced to executive general adjuster with headquarters at Atlanta. Mr. Dickert has been with G.A.B. for 25 years and has been at Atlanta and manager at Knoxville before being advanced to the southeastern department offices in 1938.

Is the Insurance Agent really "a Good Man to Know"?



SHOULD THE AGENT "SELL" MORE INSURANCE?

What Should We Do—

"Sell" People
or Help Them "Buy"?

One reason the insurance agent is "a good man to know"—he doesn't sell people insurance, he helps them buy!

There's a difference, of course.

Granted that by urging, by insisting, by making exaggerated claims, you can sell a man some insurance.

But people don't like to be sold! They like—and appreciate—help in buying.

That's why the modern agent studies the customer's needs and shows him how insurance will

meet those needs. The man who "knows" doesn't have to sell his customers—he helps them buy the protection they need!

Of course, we can't discard the techniques of good salesmanship. We still need the emotional appeal of safety for home, business, income; we still need to spell insurance with a "U" and not with an "I".

But in the final analysis it's his knowledge of human needs and how insurance can and does meet those needs which makes the insurance agent "a good man to know".



**Ohio Farmers
Insurance Company**

Chartered 1848 . . Le Roy, Ohio

OHIO FARMERS INDEMNITY COMPANY



THE INSURANCE AGENT IS A GOOD MAN TO KNOW

NEWS OF FIELD MEN

Security Western Field Men Hold Conference

Field men in the western department of Security of New Haven are gathered at the Edgewater Beach hotel, Chicago, for a week-long conference with head office executives and the western office people at Chicago, headed by Resident Secretary J. J. Hubbell. The head office contingent consists of President J. R. Berry, Vice-president S. H. Swart,

Secretary Otto Redwitz, Ray Gilden and Ralph Tanger, assistant secretaries, and B. J. Daenzer. There are about 30 field men on hand. The main social function is a dinner Thursday.

Cobb, Smith Special Agents

American has appointed Forrest W. Cobb, Jr., special agent for eastern Virginia, under the supervision of Special Agent J. Maurice Turner. Mr. Cobb has had experience in several depart-

ments at the home office. He served in the last war. He will make his headquarters at Richmond.

Richard A. Smith has been named special agent for eastern Massachusetts, with headquarters at Boston. He has served with Eastern Inspection Bureau and New England Fire Insurance Rating Assn. He is a navy veteran.

Shannon Named in S. D.

National Fire has named Paul F. Shannon special agent to handle primarily hail operations in South Dakota.

Mr. Shannon served two years with Rain & Hail Bureau as per diem hail adjuster before entering the army air force in 1941, emerging as a major in 1946. Upon his discharge he entered a local agency as partner, also serving as per diem hail adjuster.

Murphy N. J. Field Speaker

At the luncheon meeting of New Jersey Insurance Fieldmen's Assn. at Newark April 24, William Murphy, General Adjustment Bureau, will talk on "Use and Occupancy Loss Adjustments." Prior to the luncheon the executive committee will hold a brief business meeting.

Waltman to Local Agency

Edward Waltman, South Dakota state agent of Royal-Liverpool, has resigned and has purchased an interest in the Allen-Morris agency at Rapid City. He became a partner of the agency.

Hail, Wind Losses Reviewed

At the April 17 meeting of Oklahoma Blue Goose Lt. Carl Tyler of the highway patrol discussed the operation of the financial responsibility law in Oklahoma. Supplementing a showing of devastation wrought by the hail storm April 2 at Stillwater, George W. Jordan, General Adjustment Bureau, gave a vivid picture of the event, and an enlightening talk on hail and windstorm losses.

Pearl Has Field Round-Up

A countrywide roundup of the field men of the Pearl group is being held all week at Skytop, Pa.

Wilbert Named in N. E. Field

Phoenix-London has appointed Philip M. Wilbert special agent for eastern Massachusetts and Rhode Island. Recently he has been state agent for Yorkshire and before that traveled New England for Eagle Star. He started with North British & Mercantile.

Breckenridge to Wis.

Ralph B. Breckenridge has been transferred from the South Dakota to the Wisconsin field, as special agent by Crum & Forster. His headquarters will be at 825 North Jefferson street, Milwaukee, and he comprises an addition to the Wisconsin field organization. He went with Crum & Forster in Indiana prior to the war and since his return he has been working in Iowa and South Dakota.

Larson Honored at Dinner

Allen H. Larson, western Wisconsin state agent for Fireman's Fund, who retired recently after 32 years with the company to take over the Hugh Bird agency at Beaver Dam, was presented a set of golf clubs by his fellow field men in the western department of Fireman's Fund. Presentation was made by H. L. Mauriston, eastern Wisconsin state agent and president of Wisconsin Fire Underwriters Assn. at a dinner in Milwaukee. Representing the western department was Arthur O. Andersen, assistant western manager.

To Honor Pa. "Old Timers"

Anthracite Field Club of Pennsylvania on April 26 will conduct its annual "old-timers" night at Irem Temple country club, near Dallas. The afternoon will be given over to golf and in the evening there will be entertainment by George Z. Keller, poet-laureate of Wilkes-Barre.

Soukup in Ohio Field

Aetna Fire has appointed Richard J. Soukup as special agent working out of the Cleveland office. Mr. Soukup has been in the underwriting department for several years.

To Inspect Marseilles, Ill.

Illinois Fire Prevention Assn. will conduct a town inspection of Marseilles May 9. Headquarters will be at the American Legion home.

Talks will be given by Leo Davis, American, and Robert K. Johnson, Aetna Fire. Arrangements are in charge of Robert L. Stafford, Hartford Fire.

This is the last scheduled inspection of the association for the 1949-1950 year.

Union City will be inspected May 18 by Tennessee Fire Prevention Assn.

Missouri Fire Prevention Assn. will inspect Shelbyville April 27, and Aurora May 3.

NEW YORK

JAFFE AGENCY FORUM

The Jaffe agency in Brooklyn will conduct a forum for brokers on commercial inland marine coverages April 24. George Nixon, assistant manager Marine Office of America, will discuss jewelers block insurance and will attempt to take the mystery out of selling a line that has fallen largely into the hands of specialists. Edwin Weinstock, independent adjuster, will outline how to prevent adjustment difficulties and thus save accounts, and Jack Seide, president Babaco Alarm System, will talk on truck cargo protection. A question and answer period will be followed by dinner.

HOLBORN IN OWN QUARTERS

Holborn Agency Corp., reinsurance intermediaries, has just moved into its own building at 144 John street, New York City.

This is only the third move the firm has made in the 30 years it has been in business, and now as on the previous occasions the change in offices is due to company owners needing the space.

The building, now completely remodeled, is old and previously had been occupied by ship's chandlers. As far back as 1866, an article appeared in Leslie's Illustrated Newspaper, with an etching of the downstairs premises, describing the firm of Messrs. Blunt & Nichols, nautical instrument establishment, which mentioned that that firm had occupied the same premises since 1838.

It is believed that this is the first time an old, established insurance firm has occupied premises on John street the other side of Pearl. However, other insurance firms have now purchased, or are in the process of purchasing, other buildings in that vicinity, due to the need for expansion of the insurance district.

John N. Gilbert, president of the agency, discovered during the reconstruction, when some boards were lifted from a wall, a sign pointing to the third floor marked "American Lloyds." On investigation, he learned this com-

HINE'S INSURANCE COUNSEL

Since 1908 . . . The Original Insurance Law List

Complimentary listing and copies available to all Insurance, Legal and Claim Officials
Hines Legal Directory, Inc. First Nat'l Bank Bldg
Edw. E. Collins, Editor CHICAGO 3

A DIRECTORY OF RESPONSIBLE INDEPENDENT ADJUSTERS

COLORADO

KEMPNER CLAIMS SERVICE
— ROCKY MOUNTAIN STATES —
INSURANCE ADJUSTERS
— ALL LINES —

1068 Gas & Electric Bldg., Denver, Colorado
Telephone Tabor 5736

FLORIDA

THOMAS M. McELVEEN COMPANY
Adjusters — All Lines

10 N. E. 3rd Ave., Miami, Florida
Offices
Fort Myers, Florida Havana, Cuba
Lakeland, Florida W. Palm Beach, Florida

MIAMI

RAYMOND N. POSTON

Adjusters all lines
402 Congress Bldg., Telephone 9-6449
WEST PALM BEACH OFFICE
Cameau Building Phone 8219
KEY WEST BRANCH OFFICE
415 Fleming Street Phone 180
The Only Adjusters Office South of Miami

ILLINOIS

Adjusters All Lines

E. S. GARD & CO.

Chicagoland Claims—Since 1920

175 W. Jackson Blvd. WABash 2-8880-1

Phone HARRison 7-3239



THOMAS T. NORTH, INC.
ADJUSTMENT COMPANY

Adjusters All Lines
175 W. Jackson Blvd., Chicago 4



LYNCH ADJUSTMENT CO.
Home Office—
Springfield, Illinois

Illinois Branch Offices
Alton — Centralia — Champaign
— Decatur — East St. Louis
— Marion — Mt. Carmel — Peoria

INDIANA

DUNCAN & SWAIN

Third and Main Bldg., Evansville 8, Indiana
General Insurance Adjusters Operating in
Southern Indiana
Southern Illinois
Western Kentucky
Northwestern Tennessee
Southeastern Missouri
Branch office: 428½ Broadway, Paducah, Ky.



INSURANCE CLAIM SERVICE

Chanticleer Building, 24 North 6th Street
Terre Haute, Indiana
Phone Crawford 8288
22 years experience, operating in eastern
Illinois and western Indiana.
Legal personnel, all types of claims and losses.

MICHIGAN

Robert M. Hill, Pres. E. B. Bystrom, Vice-Pres.



The Robert M. Hill Co., Inc.
INSURANCE ADJUSTERS

1350 Penobscot Bldg., Detroit 28, Michigan
Woodward 5-9059

MICHIGAN ADJUSTMENT BUREAU, INC.

298 N. Capitol Ave., LANSING 7
Phone 21687-8



H. C. Cunningham, Mgr.

Branches
Detroit Saginaw Kalamazoo
Battle Creek Grand Rapids Flint

NEVADA

R. L. GRESHAM & CO.

Insurance Adjusters
— All Lines —

Arthur W. McKnight, Fire Loss Mgr.
Telephones:
Business 4733 — Residence 2117 M
610 EAST CARSON LAS VEGAS, NEVADA

NEW YORK

WAGNER, AND GLIDDEN, INC.
TOPLIS AND HARDING, INC.



Insurance Adjustments
All Lines

Chicago Boston New York
Los Angeles Detroit

OHIO

BALL-VAN PATTER, INC.



Fire — Inland Marine —
Allied Lines

1283 Citizens Building
Cleveland 14, Ohio
Phone: Superior 7859

THOMAS D. GEMERCHAK

Insurance Adjustments
All Lines

285 Great Lakes Life Bldg., Cleveland 14, Ohio
Phones Off. Su. 2668 — Res. Fa. 9442

D. J. SCOTT

INDEPENDENT ADJUSTER FOR INSURANCE COMPANIES—FIRE—WINDSTORM
— AUTOMOBILE — INLAND MARINE —
CARGO — AIRCRAFT
302 Home Savings & Loan Building
Youngstown, Ohio
Phones Off. 7-4384 — Night 2-6434
27 Years Experience

WISCONSIN

CLAIM SERVICE, INC.

R. L. Pendergast, General Manager
Adjusters for the companies only
Legal and company trained personnel
All types of Casualty and Automobile Claims—
Compensation and Allied Lines
792 Manhattan Bldg. Telephone DALy 8-8454
Milwaukee, Wisconsin

WANT ADS

Rates—\$12 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline Tuesday noon in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER

WE WILL BUY ONE OR MORE INSURANCE COMPANIES

— so that we may add these lines —

FIRE — CASUALTY — FIDELITY & SURETY — INLAND MARINE

A strong, sound and well established company writing other types of insurance plans to add to the above lines to round out its services. We propose to buy one or more companies writing any or all of those lines. If interested, you are invited to wire or write us for an early consideration of the matter. We prefer direct contact with responsible officers.

ALL REPLIES HELD IN STRICTEST CONFIDENCE

ADDRESS Z-25

National Underwriter

175 W. Jackson Blvd., Chicago 4, Illinois

SPECIAL AGENT-MANAGER

Colorado territory—several thousand auto-fire-life customers in territory — with established agents and income. Must have Life experience, recruiting, training management ability, knowledge of fire—auto desirable.

**Write State Farm Insurance Companies
1024 Patterson Building
Denver, Colorado**

Underwriter—Producer—Fire—Casualty Lines—Company—General Agency background—interested in purchasing small, well established stock company agency with growth possibilities. Would consider purchase of part interest larger agency. Replies confidential. Address Z-45, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANT TO PURCHASE

Two experienced fire, casualty and marine field men want to purchase a local agency producing \$100,000 a year in premiums. Terms preferred but will consider cash purchase in city or town of 100,000 or less. Address Z-64, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

ADDRESSOGRAPH OPERATOR WANTED

by large firm allied with the insurance business. Typing experience necessary. Male or female. Good salary. Excellent opportunity. In reply furnish full particulars regarding experience and salary desired. Address Z-69, care The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

OFFICE FOR RENT

39 S. LaSalle Street, Chicago. Half of two-man suite. Reception and secretarial space. Suitable for insurance broker. \$80 and services. Financial 6-4466, or address Z-70, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Excellent opportunity for advancement in Chicago Underwriting Department of Progressive fire company. Two years fire insurance experience essential. Give personal, educational and complete experience details and expected salary range. Replies held confidential. Our staff knows of this ad. Address Z-50, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

PASADENA OFFICE SPACE

Office space available in Class "A" building on most important corner in Pasadena. From 200 to 20,000 square feet. Parking. Write T. D. Rogers, 9014 Wilshire Blvd., Beverly Hills, California.

pany was started in 1890 at the location by a George A. Stanton, early advocate of automatic sprinklers. The firm prospered and in 1926 it was changed to a stock company, American Colony Insurance Co., and in 1934 was merged with North Star Reinsurance. History is repeating itself, and insurance organizations are moving back to the block rather than pioneering it.

WILLARD O'CONNOR HONORED

Willard O'Connor, head of Lemma & O'Connor agency at New York City, was honored at a luncheon tendered him by Commonwealth to mark the agency's 25th year of representation of the company. He was presented a certificate by Secretary H. B. Standen signed by him and by President George H. Duxbury.

HONOR CHRIS SHEFFE

Officers and directors of New York Board gave a testimonial luncheon to Chris D. Sheffe, retired U. S. manager of London Assurance at the Drug and Chemical Club. Mr. Sheffe rendered distinguished service to the board during his career. At retirement he was a director, member committee on finance, laws and legislation, and had served as member of the committee on electricity more than ten years.

N. Y. BOARD LOSSES

Incurred losses in March in New York Board territory, numbered 635 for \$1,781,695, 55.6% increase in number and 58.3% decrease in amount. For the three months the number was 1,449 for \$4,763,058, up 37% in number and down 39.9% in amount.

CHICAGO

FARM MANAGERS NIGHT

Ernest T. Baughman, agricultural economist with Federal Reserve Bank of Chicago and editor of the weekly "Agricultural Letter," will be the speaker at the managers' night of Farm Examiners Club of Chicago April 25.

The arrangements for managers' night were perfected at the last meeting of the Farm Examiners Club. At that time a decision was made for the members to go on field trips to farms so as to become better acquainted with the prevalent hazards. A. M. Varum of Hartford Fire will conduct the first such trip calling attention to hazards as they may appear and giving estimates on insurable values.

PARTICIPATE IN ROTARY EXHIBIT

Central Watch Service, Appraisal Engineering Corp., both of Chicago, and Lumbermen's Mutual Casualty had exhibition booths at the mid-century business exposition sponsored by Rotary Club of Chicago.

MARINE

Great Lakes Season Is Late

The shipping season on the Great Lakes is going to get off to a very late start this year due to the fact that ice has been forming in the Straits of Mackinac, St. Mary's River and the Lake Superior ports during the past 30 days rather than deteriorating. It was an open winter and for a time the possibility was seen that navigation might get under way in March, but today there is said to be 30 to 40 inches of ice at Ft. William and Port Arthur, 25 inches at Duluth and the Straits of Mackinac are so clogged that a ship cannot get through except by following immediately in the wake of the Coast Guard icebreaker Mackinaw. There are a number of early bird ships poised in upper Lake Michigan ready for a quick getaway. A heavy movement of grain is

anticipated and the steel mills are hungry for ore.

The insurance rates on coal, ore and grain are the same as they were last year. The hull insurance depends on the experience of each fleet and since that experience has been satisfactory, not much change in rate is anticipated here.

Maccabe to Head American International Marine Agency

Fred Maccabe has been named president of and a director American International Marine Agency of New York City. Mr. Maccabe, presently vice-president and director of American International Underwriters, will continue in that position. He also is a director of the Albert Ullmann Marine agency.

William S. Youngman, Jr., also has been elected a director of American International Marine Agency.

A thoroughly experienced marine man, Mr. Maccabe has served as chairman of

the underwriting committee of Protection & Indemnity Underwriters Syndicate and member of the Board of Underwriter (Marine). He was a member of the original committee which formed War Risk Exchange.

McFee on Law of the Sea

William McFee, who is regarded as the greatest living writer of the sea, is author of a book "The Law of the Sea" which is being published by the J. B. Lippincott Company May 10. This may be named from The National Underwriter, the price being \$3.75.

The "Law of the Sea" is written for the layman. It traces the maritime law back to the earliest days and contains much material bearing on insurance questions.

Mrs. Emilia LeZotta, formerly of Puerto Rico, spoke at the April meeting of Insurance Women of Lincoln, Neb. Reports were made on the regional meeting there.



yesterday and today...

Years ago we insured goods in transit by conveyances of that period. Now we do the same for the World Trade of Today by all present modes of transportation. The era of jet planes has arrived, and we will furnish all transportation insurance needs of the future.

PHOTO COURTESY BOEING AIRCRAFT CO.

OCEAN MARINE INLAND MARINE AIR CARGO ALL RISKS INSURANCE

STEVEDORE AND SHIP SERVICE LIABILITY FOR PROPERTY DAMAGE

ESTABLISHED 1881

WM. H. MCGEE & CO., INC.

111 John Street New York 7, N.Y.

EDITORIAL COMMENT

Women Can Help Solve Problem

Many in life and A. & H. companies recognize the necessity of developing a greater pool of leadership talent. This would reduce or eliminate raiding of executives and executive prospects between companies.

The situation has been created by the almost complete gap in leadership development between ages 30-35 and 50. In the depression companies didn't invest in manpower futures and were just beginning to do so in 1937 when the recession again threw them off stride. Then came the war. As a consequence there has been an over-all gap of 12 to 15 years in which there has developed a scarcity of talent in the pipelines of organization.

Yet this era coincides with the period of greatest growth in life and A. & H. Most companies are larger than they were 10 years ago and by growth alone they have accumulated a lot of problems. The business today, along with the general economy, is more complex. Additional and better manpower is needed. Take as an example government regulations impinging on insurance operations such as the wage and hour law. Incorrect decision at the executive level on a subject of this kind can run up costs terrifically.

Many junior officers have come up strictly by the aging process. Some do not know how to train other persons, how to test a method for effectiveness, how to handle employee grievances, etc. It is often found that supervisors themselves create the problems that supervision is supposed to solve. In one department there was a very high turnover. On examination it was discovered the supervisor bawled out employees in public, docked those under his supervision that were late or ill, and refused time off for legitimate reasons.

Some believe it would help if the companies recognized women as supervisors. "Women make lousy supervisors," some say. But do they? Those in a position to know say some do just as do some men, but on an individual basis some women make good supervisors.

The idea that women can't be depended on because they may become pregnant carries less weight than formerly. Executives recognize that a man may have an accident and be laid up for several weeks or months. In other fields, department stores for example, women long have been recognized for supervisory ability. Some life companies have appointed women to supervisory positions, most of them, to be sure, at just

below the junior officer level.

What is the advantage of using women in supervisory posts? For one thing the bulk of home office personnel is women, and the company has a wider range of selection.

Suppose a company with 400 employees decides in the next 10 years it will create 15 new supervisory and junior executive positions. It has five men who might fill the bill and knows that all five will make the grade. There probably should be at least 30 candidates for the 15 posts. It can recruit at fairly high salaries college graduates, some of whom will make executive material. When it brings in candidates from the outside it is making commitments to such trainees in advance. However, if some of the positions are to be filled by women and the company has 300 to choose from, it can test them as individuals and have personnel working up through its own ranks, as they prove themselves.

Another advantage is that in the event of war, offices would be stripped of young men.

Realistically, the cost of women supervisors is a little less. The man is expected to carry a heavier burden than a woman and is paid a little more perhaps than the job is worth whereas a woman is paid a little less. This is not always true and ideally should not be so but tends to be true rather often.

Another point: Women are better suited for some kinds of supervision than men—filing, for example, or transcription and stenography. These are common ones and it is not unusual to find that women are supervising such departments. However, they are rarely found in premium accounting (which is actually posting and not an accounting process), cashier division, and collection-policy issue department, etc. They make good supervisors here and also policyholders service departments. A few are home office underwriters and make, it is said, fine hands.

There are a few women tax specialists and attorneys. There may be women medical directors, some time. Currently many companies are looking for medical directors. They are not looking for big names which will cost them a lot of money. In the smaller companies the medical director may also do the examining of home office female help. If he is a male, he has to have a female nurse, which would be unnecessary if the medical director were a woman.

Women handle detail well. Jobs that

would appear monotonous to men often are not so to women.

When there are a lot of men coming along as supervisors or executives, the short time economic changes hit a company harder.

Perhaps the most important advantage, however, is that by long-range

planning that includes both sexes, the company avoids "going into the market" with its higher cost and the greater inflexibility that arises from advance commitment. At the same time its chances of getting more and better talent are improved, by drawing on its own pool of personnel (not just man-) power.

PERSONAL SIDE OF THE BUSINESS

J. F. Gill of the headquarters staff of National Assn. of Independent Insurers became ill while attending the zone 4 meeting of N.A.I.C. at Chicago and was later taken to Evanston hospital. He has been with N.A.I.I. about 1½ years, but previously was with Coal Operators Casualty. He was not able to go to San Antonio for the regional N.A.I.I. meeting this week.

Franklin J. Pocquette, western field manager of the Meserole companies at Chicago, and Mrs. Pocquette are having a vacation at Naples, Fla.

John M. Toner, state agent of the Meserole group in western Pennsylvania, Pittsburgh, spent several days at the head office in New York City.

Robert L. Hawes, Louisville local agent, and Mrs. Hawes have just celebrated their golden wedding anniversary. Mr. Hawes is now 76 and Mrs. Hawes 68. He established his agency in 1913, but entered the business in 1905.

Charles C. Tomlinson, Jr., superintendent of Aetna Fire's loss department, last week observed his 45th anniversary with the company. He started with the mail department, transferred to the southern department, then to the loss department, of which he was made supervisor in 1936 and superintendent in 1945.

Harry J. Cantlon of the Cantlon Adjustment Co. of Las Vegas, Nev., has been in Chicago attending the regional

meeting of the National Assn. of Independent Insurance Adjusters and visiting insurance company officials in the city.

"Miss Hartford Insurance" Beauty Contest Under Way

Hartford is in the throes of choosing a "Miss Insurance of 1950." The insurance beauty festival is being enthusiastically sponsored by the junior chamber of commerce.

The first round of competition was held last week and Marilyn Holmquist, Hartford Fire, and Jeanne M. Egnat, Hartford Steam Boiler, were winners over 26 other young women from those companies. These girls and the runners-up, chosen on the basis of face, figure, poise, personality, and posture, will compete in the finals late in May.

On April 20, 15 girls from Connecticut Mutual Life will compete for a place in the May final.

"Miss Insurance" will be given an all-expense, chaperoned trip to New York with a companion of her choice. Hotel, theater, and an evening at the Stork Club or El Morocco and a complete wardrobe will go to the winner.

Logan R. Ritchie, who has been an examiner for the Virginia insurance department, has been appointed deputy commissioner of banking.



"I KNOW YOU JUST HAD A BIG MONTH. GET OUT AND MAKE THE NEXT ONE BIGGER."

THE NATIONAL UNDERWRITER

PUBLISHED EVERY THURSDAY

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO 4, ILL. Telephone Wabash 2-2704. EDITORIAL DEPARTMENT: Managing Editor: Levering Cartwright, News Editor: F. A. Post. Associate Editors: R. B. Mitchell, J. C. O'Connor. Assistant Editors: Richard J. Thain, John C. Burridge. OFFICERS: Howard J. Burridge, President, Louis H. Martin, Vice-President and Secretary, John Z. Herschede, Treasurer 420 E. Fourth St., Cincinnati 2, Ohio.

BRANCH OFFICES IN KEY CITIES

ATLANTA 3, GA.—432 Hurt Bldg. Tel. Walnut 9801. Ernest E. Heas, Southeastern Manager.
BOSTON 11, MASS.—210 Lincoln St. Tel. Liberty 2-1402. Wm. A. Scanlon, Vice-Pres.
CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2-2704. O. E. Schwartz, Chicago Mgr. A. J. Wheeler, Resident Mgr. R. J. O'Brien, Advertising Mgr. R. L. Rudd, Circulation Mgr.
CINCINNATI 2, OHIO—420 E. Fourth St. Tel. Parkway 2140. George C. Roeding, Asso-

ciate Manager; George E. Wohlgenuth, News Editor; Arthur W. Riggs, Statistician.
DALLAS 1, TEXAS—802 Wilson Bldg., Tel. Prospect 7-1127. Roy H. Lang, Southwestern Manager.
DES MOINES 12, IOWA—3333 Grand Ave., Tel. 7-4677. R. J. Chapman, Resident Manager.
DETROIT 26, MICH.—532 Lafayette Bldg. Tel. Woodward 3-2326. A. J. Edwards, Resident Manager.

KANSAS CITY 6, MO.—605 Columbia Bank Bldg. Tel. Victor 9157. William J. Gessing, Resident Manager.
MINNEAPOLIS 2, MINN.—558 Northwestern Bank Bldg. Tel. Main 5417. R. W. Landstrom, Resident Manager.
NEW YORK 7, N. Y.—99 John St. Room 1103. Tel. Beekman 3-3958. Editorial Dept.—Eastern Editor: Kenneth O. Force; Assistant Editor: Donald J. Reap.

Business Dept.—Ralph E. Richman, Vice-Pres.; J. T. Curtin, Resident Manager.
PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127. Tel. Pennypacker 5-3706. E. H. Fredrikson, Resident Manager.
PITTSBURGH 22, PA.—503 Columbia Bldg. Tel. Court 2494. Jack Verde Stroup, Resident Manager.
SAN FRANCISCO 4, CAL.—507 Flatiron Bldg., Tel. EXbrook 2-3054. F. W. Bland, Pacific Coast Manager.

Hez
KAR
memb
of Ba
land,
O. H
the fi
FR
man
justm
two y
died a
ville f
HA
dent o
manag
at La
He ha
organ
AL
ance
1917
from
trip.
WH
at Mi
busin
CHA
dent o
died a
ice wi
J. L
Falls,
an ill
HEE
Miller
busin
CAR
at Pitt
ART
Decatu
recent
Decatu
superi
sistat
of Uti
ALV
er in
ment
heart.
Mr. F
special
with
made
in cha
LEO
partm
its WH
JOH
operat
Quincy
Quincy
ART
life an
Ore.,
years
Iowa
writin
HEE
state
and R
sudden
with
He be
JAR
pert f
years
at his
was t
hold
India.
Rup
by H
Hav
ed Cl
educat
at one
Fire
both
Corp.
Foll
Illinoi
Union
Pacific
manag
presid
years
Firm
Plan
Dire
Assn.
for th
Jeffers

DEATHS

Heart attack caused the death of **KARL VOLMA LIVELY**, senior member of the general insurance firm of Bates, Lively & Pearson at Portland, Ore. He was a native of Jackson, O. His age was 75. He started with the firm of McCargar & Bates in 1907.

FRANK B. NELSON, 65, regional manager at Louisville of Western Adjustment for 25 years, who retired about two years ago on account of poor health, died at Louisville. He went to Louisville from Chicago.

HARRY M. TERRY, 67, vice-president of Michigan Millers Mutual Fire and manager of Mills Mutual Agency, died at Lansing, Mich., from a heart attack. He had been with the Michigan Millers organization since 1921.

ALEXANDER McCABE, 77, insurance commissioner of California from 1917 to 1923, died at Gold Beach, Ore., from a heart attack while on a motor trip.

WILLIAM C. DAHL, 53 local agent at Minneapolis who had been in the business 30 years, died there.

CHARLES C. JARDET, 64, vice-president of J. H. Bodenheimer & Son agency, died at New Orleans after 33 years' service with that office.

J. L. DIXON, local agent at Chippewa Falls, Wis., for 12 years, died there after an illness of several months.

HERBERT J. SPITZ of the Spitz & Miller agency, Griffith, Ind., died there. He was associated with his father in the business for 11 years.

CARL W. GOETTTLER, 57, local agent at Pittsburgh for many years, died there.

ARTHUR D. SUTTLES, local agent at Decatur, Ind., for the past 30 years, died recently. He was a former school teacher and later became a member of the Decatur school board, and was former superintendent of the Methodist Sunday school. A son, Arthur D. Suttles, is assistant general manager of Allied Fire of Utica, N. Y.

ALVIN J. FORSYTHE, 43, underwriter in the miscellaneous liability department of Continental Casualty, died of a heart attack while working at his desk. Mr. Forsythe was training to become a special risks underwriter. He had been with Continental since 1935 and was made assistant supervisor of engineering in charge of fleet safety work in 1941.

LEO WELSH, 57, manager claim department of Mutual Benefit H. & A. in its White Plains, N. Y., office, died there.

JOHN O'CONNOR, 36, local agent who operated the J. C. O'Connor agency at Quincy, Mass., died at his home in Quincy.

ARTHUR E. WARD, 64, well-known life and general agent, died at Portland, Ore., following a short illness. For some years he was with Equitable Life of Iowa and later opened his own general writing agency.

HERBERT H. PLUMMER, 74, retired state agent of eastern Massachusetts and Rhode Island for Niagara Fire, died suddenly. He entered insurance in 1891 with the P. E. Eddy agency at Boston. He began field work in 1908.

JARED P. MORRISON, 73, a boiler expert for Hartford Steam Boiler for 45 years until his retirement in 1946, died at his home in Redondo Beach, Cal. He was the only person in this country to hold an inspector's commission from India.

Rupprecht Put in New Post by Hawkeye-Security Group

Hawkeye-Security group has appointed Charles F. Rupprecht director of education and research. Mr. Rupprecht at one time was president of Hamilton Fire and vice-president of Industrial, both of which were merged with Equity Corp.

Following service as special agent in Illinois and Wisconsin for Commercial Union, Mr. Rupprecht became assistant Pacific Coast manager, and in 1931 U. S. manager. In 1938 he was made vice-president of North America and three years later second vice-president of Firemen's.

Plan Ill. Farm Meet

Directors of Illinois Farm Agents Assn. met last week to discuss plans for the annual meeting June 8 at the Jefferson hotel, Peoria.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago
April 17, 1950

	Div.	Bid	Asked
Aetna Casualty	3.00	99	102
Aetna Life	2.50	61 1/2	63
Aetna Life	2.50	60	62
American Alliance	1.20	26 1/2	27 1/2
American Auto	2.00	52 1/2	55
American Casualty	.80	17	18
American (N. J.)	.90	21	22
American Surety	2.50	61 1/2	63
Boston	2.40	59	61
Camden Fire	1.15*	23 1/2	24 1/2
Continental Casualty	2.50*	68	70
Fire Association	2.50	70	72
Fireman's Fund	2.60	69	71
Firemen's (N. J.)	.60	22	23
Globe & Republic	2.00*	52	54
Globe Amer. Fire	.50	13 1/4	14 1/4
Great Amer. Fire	1.30*	30 1/2	31 1/2
Hanover Fire	1.60	35	37
Hartford Fire	2.50*	118	120
Home (N. Y.)	1.60	36 1/2	37 1/2
Ins. Co. of North Am.	3.50*	105	107
Maryland Casualty	.75	19	20
Mass. Bonding	1.60	31	33
National Casualty	1.50*	31	33
National Fire	2.50*	63 1/2	65
New Amsterdam Cas.	1.20	39 1/2	41
New Hampshire	2.00	44	46
North River	1.20	26 1/2	27 1/2
Ohio Casualty	1.20	56	Bid
Phoenix, Conn.	3.00*	78	80
Preferred Accident		5 1/4	5 3/4
Prov. Wash.	1.40	33 1/2	35
St. Paul F. & M.	2.60	98	100
Security, Conn.	1.60	34 1/2	35 1/2
Springfield F. & M.	2.00	45 1/2	47
Standard Accident	1.60	38	40
Travelers	12.00	482	492
U. S. F. & G.	2.00	54 1/2	56
U. S. Fire	2.00	67	69

*Includes extras.

Convention Dates

April 22, zone 2 National Assn. of Insurance Commissioners, Wilmington, Del.

April 22-23, Assn. of Insurance Attorneys, spring meeting, Hotel Savery, Des Moines.

April 25-26, Western Underwriters Assn., White Sulphur Springs, W. Va.

April 27-29, Louisiana agents, annual, Alexandria.

May 1-3, U. S. Chamber of Commerce, annual, Washington, D. C.

May 1-3, Inland Marine Insurance Bureau and Inland Marine Underwriters Assn., annual meetings, White Sulphur Springs, W. Va.

May 3-5, Iowa Assn. of Insurance Agents, annual, Sioux City.

May 4-5, Insurance Federation of Pennsylvania, annual meeting, Hotel William Penn, Pittsburgh.

May 4-6, North Carolina agents, annual, Carolina Hotel, Pinehurst.

May 5-6, Florida Assn. of Insurance Agents, annual, Ormond Beach hotel, Ormond Beach.

May 8-9, New York agents, annual, Hotel Syracuse, Syracuse.

May 8-10, American Assn. of Managing General Agents, Edgewater Gulf hotel, Edgewater Park, Miss.

May 10-13—Insurance Accounting & Statistical Assn., annual meeting, Hotel Statler, Boston.

May 11-12, Conference of Mutual Casualty Companies, management conference, Moraine Hotel, Highland Park, Ill.

May 11-13, Mississippi Agents, annual, Buena Vista Hotel, Biloxi.

May 11-13, Texas agents, annual, Fort Worth.

May 15-16, Oklahoma Agents, annual, Tulsa.

May 15-17, National Assn. of Mutual Insurance Agents, midyear, Cavalier Hotel, Virginia Beach.

May 15-18, National Fire Protection Assn., annual, Atlantic City.

May 16-18, Alabama agents, annual, Jefferson Davis Hotel, Montgomery.

May 16-18, Kansas field clubs, Larson hotel, Wichita.

May 17, Midwestern Independent Statistical Service, Hotel La Salle, Chicago.

May 17-19, Alabama Agents, annual, Montgomery.

May 18-20, Arkansas agents, annual, Arlington Hotel, Hot Springs.

May 22-23, Florida-Georgia Mutual Agents, annual, Oglethorpe Hotel, Savannah, Georgia.

May 22-23, Casualty Actuarial Society, spring meeting, Red Lion Inn, Stockbridge, Mass.

May 22-24, American Management Assn., insurance section, Hotel Statler, New York.

May 24-25, Oklahoma Fire Underwriters Assn., annual, Lake Murray, Ardmore.

May 29-31, Southeastern Underwriters Assn., annual meeting, Homestead Hotel, Hot Springs, Va.

May 31-June 2, Missouri Fire Underwriters Assn., annual, Lake Taneycomo.

June 5, Connecticut Agents, midyear, Tamarack Country Club, Greenwich.

June 5-7, H. & A. Underwriters Conference, annual, Hotel Statler, New York.

June 6, South Dakota Fire Underwriters Assn., annual, Marvin Hughitt Hotel, Huron.

June 7-8, Illinois Field Clubs, joint annual meetings, Hotel Urbana-Lincoln, Urbana.

June 8, Illinois Farm Agents Assn., annual, Jefferson Hotel, Peoria.

June 12-16, National Assn. of Insurance Commissioners, annual, Quebec.

June 14-16, National Assn. of Insurance Women, annual, Copley Plaza Hotel, Boston.

June 14-16, National Assn. of Insurance Women, annual, Copley Plaza Hotel, Boston.

June 14-16, Indiana Fire Underwriters Assn., annual, Maxinkuckee Inn, Culver.

June 15-17, Virginia agents, annual, Homestead, Hot Springs.

June 15-17, New England Assns. of Insurance Agents, Poland Spring Hotel, Poland Spring, Me.

June 20-22, Wisconsin Fire Underwriters Assn., annual, Maxwellton Braes, Bailey's Harbor.

June 21-22, Minnesota Field Clubs, joint annual meetings, Pine Beach Hotel, Brainerd.

June 21-22, Michigan Fire Underwriters Assn., Ramona Park Hotel, Harbor Springs.

June 21-22, Tennessee Fire Underwriters Assn., annual, Lookout Mountain Hotel, Chattanooga.

June 21-22, Kentucky Fire Underwriters Assn., fire prevention association, and Blue Goose, Kentucky Dam Village, Gilbertsville.

June 22-24, Georgia Agents, annual, General Oglethorpe Hotel, Savannah.

June 22-24, National Assn. of Independent Adjusters, annual, French Lick, Ind.

June 26-30, International Assn. of A. & H. Underwriters, annual, Detroit.

Aug. 8-10, Grand Nest of Blue Goose, French Lick Springs, Ind.

Aug. 24-25, Minnesota Agents, annual, Hotel Nicolet, Minneapolis.

Sept. 6-8, C.P.C.U., annual, Cleveland.

Sept. 10-12, Montana Agents, annual, Billings.

Sept. 10-12, Pennsylvania Agents, annual, Bedford Springs Hotel, Bedford.

Sept. 14-16, Washington Agents, annual, Spokane.

Sept. 14-16, Federation of Insurance Counsel, annual meeting, Atlantic City.

Sept. 18-20, International Claim Assn., Greenbrier hotel, White Sulphur Springs.

Sept. 20-22, Oregon Agents, annual, Portland.

Sept. 22-23, Utah agents, annual, Hotel Utah, Salt Lake City.

Sept. 25-26, New Jersey agents, annual, Hotel Claridge, Atlantic City.

Sept. 25-27, Bureau of A. & H. Underwriters, annual, Sky Top Manor, Poconos, Stroudsburg, Pa.

Sept. 25-27, Idaho Agents, annual, Sun Valley.

Sept. 25-26, New Jersey agents, annual, Hotel Claridge, Atlantic City.

HIGHLIGHTS In Insurance History



EARLY FIRE ALARMS . . . In 1802, Joseph Smith patented in England a fire alarm set in motion by the burning of a string. The earliest record of an electric fire alarm appears to have been the English patent of N. Rutter (1847), in which a mercurial column of a thermometer closed the circuit when the temperature was high enough to be dangerous.

Trained representatives of the National Union and Birmingham Fire Insurance Companies cooperate with agents and assured in offering safety advice before a loss occurs.

NATIONAL UNION and BIRMINGHAM
FIRE INSURANCE COMPANIES

PITTSBURGH



PENNSYLVANIA

Reinsurance

Every *Employers* contract is specially built for its user after the most careful analysis. So it operates comfortably through years and into decades — which is the test good contracts must meet.

Employers Reinsurance Corporation

KANSAS CITY

NEW YORK

CHICAGO

SAN FRANCISCO

LOS ANGELES

UN
Nu
Ar
in
T
C
R
Na
write
vision
bility
cation
ously
1950,
effect
To
vised
perso
hens
two
auton
—Co
ba
da
—Fa
con
po
Th
bilty
level
Fo
B.I.
in an
coun
are r
forni
rate
Aver
Fo
apply
misc
recei
basis
an an
which
vised
tion
level,
rate
excep
creas
main
where
Fo
with
classi
front
excep
ment
or r
great
rates
or co
the r
classi
of 25
For
chang
and r
trywi
for P
Thre
Th
under
are in
Th
a thro
reduc
in a
throu
chang
writte
disco
stalln

Numerous Changes Are Introduced in Liability Line

Term Discount Cut to 10%—Many Rules Revised

National Bureau of Casualty Underwriters announces that countrywide revisions of rates for several general liability lines and amendments of classifications and underwriting rules, previously announced, are effective April 17, 1950, except in Hawaii where they are effective May 1, and Texas, June 1.

To be effective the same dates are revised policy forms for comprehensive personal liability and farmer's comprehensive personal liability insurance and two new combination personal liability automobile policies:

- Comprehensive personal liability and basic automobile liability and physical damage policy, and
- Farmer's comprehensive personal and comprehensive automobile liability policy.

The revised rates for the general liability lines result in the following rate level changes:

For manufacturers' and contractors' B.I. liability, the revised rates result in an average reduction of 18.4% in the countrywide rate level. The rate levels are reduced in all territories except California and District of Columbia where rate level increases of 5.7% apply.

Average Rate Reduction 19.4%

For O.L. & T. B.I. the rate changes apply, with certain exceptions, to the miscellaneous classifications rated on a receipts, admissions, unit or similar basis, but not to classifications rated on an area and frontage basis, the rates for which were revised in 1949. The revised rates result in an average reduction of 19.4% in the countrywide rate level, excluding New York state. The rate levels are reduced in all territories except in New York city where an increase of 35.1% applies and in the remaining New York state territories where an increase of 10% applies.

For O.L. & T. P.D. the rate changes, with a few exceptions, apply to all classifications including the area and frontage classifications, and in all states except New York where only the apartment or tenement house and boarding or rooming house classifications in greater New York are affected, the rates being reduced 25%. For owners' or contractors' protective B.I. and P.D. the rate changes apply to a majority of classifications and result in a reduction of 25% in the countrywide rate level.

For contractual liability the rate changes apply to a few classifications and result in a reduction of 25% countrywide for B.I. and 33⅓% countrywide for P.D.

Three-Year Discount 10%

The following important changes in underwriting rules and classifications are included in these revisions:

The discount for policies written on a three-year pre-payment basis has been reduced from 12½% to 10%, resulting in a uniform discount for such policies throughout the country. A further change affecting three-year policies written on an installment basis without discount provides for equal annual installments to replace the present 40—

Plan for Big Pa. Insurance Days Rally

PHILADELPHIA — The opening session of the 1950 Pennsylvania Insurance Days convention, scheduled for the William Penn Hotel, Pittsburgh, May 4-5, will be a luncheon gathering at which James F. Malone, Jr., former state insurance commissioner, will act as toastmaster and introduce as speakers Robert E. Dineen, New York superintendent, and Eugene M. Thore, general counsel of Life Assn. of America.

In the afternoon the annual meeting of Insurance Federation of Pennsylvania will be held. The banquet will follow.

Admiral Louis Denfield, former chief of U. S. naval operations, will be the banquet speaker. John A. Mayer, president of Reliance Life, will act as toastmaster.

Throughout the second day, educational forums will be held on various lines of underwriting.

At the luncheon on Friday, William E. Livengood, Pennsylvania secretary of internal affairs, will speak. William Rattelman, vice-president of National Union Fire, will introduce him.

The jamboree that evening will close the convention. Insurance Club of Pittsburgh will sponsor this event, which will be highlighted by several wrestling bouts.

William M. Guthrie, comptroller of Reliance Life, and Robert F. Miller, vice-president of National Union Fire, are co-chairmen of the convention. Homer W. Teamer, secretary-manager of Insurance Federation of Pennsylvania, is general secretary.

Nine state associations and seven local associations will participate in the program and will help conduct activities.

30—30 installment basis. These changes affect the contractual, elevator and O.L. & T. manuals.

The rules for manufacturers' and contractors' liability and O.L. & T. relating to the separate rating of structural alterations, new construction and demolition operations have been modified so as to require that only operations which involve new construction, changing the size of or moving buildings or other structures or demolition work be separately rated. This should avoid controversy over interpretation of the term "structural alterations" and results in broadening of the basic premises coverage without additional premium charge.

Housing Project Change

The O.L. & T. classification for federal and local housing projects has been broadened to include such projects financed by state governments.

Separate pages containing manufacturers' and contractors' liability rates and minimum premiums for all classifications have been issued for each state and territory.

The comprehensive personal liability and farmer's comprehensive personal liability rules have been broadened in several respects without additional premium charge. The definition of "insured" now includes employees of the insured with respect to farm tractors and trailers and self-propelled or animal-drawn farm implements. The exclusion relating to watercraft is amended so that coverage is now provided for all boats not exceeding 10 horsepower or greater than 25 feet in length. The operation of automobiles by independent contractors for non-business purposes of an insured is included.

Exclusions relating to injury or sickness of employees or other persons, for which benefits are payable under a workmen's compensation law, have been clarified to indicate that only injury or

Far West Agents Conference Meets at San Francisco

SAN FRANCISCO—More than 70 agent delegates from eight western states were on hand when the annual Far West Agents Conference got under way here Monday for a two-day session.



R. D. Callister



C. M. Putnam

C. M. Putnam, chairman of the conference, presided.

The conference opened with a business session for delegates only at which the program for the conference was disclosed, and reports were made for the N.A.I.A. committee on commissions by A. E. Shepperd; agency management by W. B. Glassick, and a special committee's report by R. E. Battles of Los Angeles, who submitted the rules for the W. H. Menn Award. It is given annually to the state in the conference which has carried out the most successful public relations campaign during each calendar year.

The morning of April 18 was given over to a joint conference between representatives of the Pacific Board and the agent delegates. In the afternoon there was a joint session of the agents with members of National Bureau of Casualty Underwriters and National Automobile Underwriters Assn.

Ralph D. Callister of Salt Lake City was chosen to succeed Mr. Putnam as chairman for the coming year.

sickness sustained while such employees or other persons are engaged in their employment are excluded. The purpose is to make clear that it is the intent to include coverage for injuries sustained by any employee or other person during non-working hours even though he may be entitled to benefits under a non-occupational disability law. Coverage for payment of non-occupational disability benefits is, of course, not included. The comprehensive personal liability rules have been amended editorially to follow more closely the language of the farmer's comprehensive personal liability rules and have been broadened to include farm tractors and trailers not subject to motor vehicle registration and farm implements.

Forms Combined, Condensed

The comprehensive personal liability and farmer's comprehensive personal liability policies have been condensed, simplified and editorially reworded in several particulars to conform to latest revisions of other policies without change in underwriting intent. In addition, the policies incorporate the revisions made in the rules. The new policies are combinations of the revised comprehensive personal liability and farmer's comprehensive personal liability forms, respectively, with the latest automobile policies. Certain amendatory endorsements for use with the present policies have also been developed to ease the transition from the old to the revised policies. Other existing endorsements have been revised to incorporate changes required by the revised policies.

Travelers Health Case Reargued Before High Court

Justices Pepper Hubbard and Va. Official with Questions

By HENRY HALLAM

WASHINGTON—With a full bench, the Supreme Court Monday heard reargument for an hour or more of No. 76, Travelers Health vs. State of Virginia. Justice Douglas, who had been absent at the first argument, was about the only member of the court who was not noticed asking questions. Most of the time was occupied answering questions from other members.

Moses G. Hubbard, general counsel of International Federation of Commercial Travelers Insurance Organizations, appeared for the company; Virginia's assistant attorney general, Walter M. Rogers, for the state. The former indicated at the outset he would argue the whole case or any particular points in which the court was interested. Chief Justice Vinson replied if the court had questions they would be asked. They were.

Mr. Hubbard contended the Virginia supreme court's decision could not be sustained unless certain other decisions were overruled. Mr. Hubbard said it is not charged Travelers Health is doing business in Virginia. Travelers Health has been for 45 years transacting business solely in Nebraska, and there is no criticism in the record of its doing business. The company wrote to an individual in Virginia inviting him to become a member, and the matter was turned over to the authorities there.

800 Members in Virginia

Justice Clark brought out Travelers Health has 800 members in Virginia, and asked how it investigates losses in that state. Mr. Hubbard replied it does not, but retains an independent contractor to investigate, but in 90% of cases it takes the word of the policyholder.

Justice Burton suggested that a claimant in Virginia gets paid there by cashing his check. Mr. Hubbard insisted, however, a Virginia claim is not paid until after the check gets back to the Nebraska bank.

Justice Clark made the point that a doctor may be engaged in Virginia to investigate. Mr. Hubbard declared Travelers Health "has never operated in Virginia" and "Virginia has no right to tell us in Nebraska" what the company shall do in Nebraska. If Virginia does so, it infringes the sovereignty of another state. The company can be sued in Nebraska.

Mr. Hubbard suggested that if there is violation in interstate commerce, the Postoffice Department has jurisdiction over mail cases, the Department of Justice over anti-trust, and under public law 15, the federal trade commission can interfere in the case of states that do not properly regulate insurance. Justice Burton then suggested that "protection" would have to be federal. "What is Virginia doing now?" he asked.

"Nothing," Mr. Hubbard answered. "We have a supersedeas bond and are doing business in the usual way."

Justice Minton suggested Travelers

(CONTINUED ON PAGE 33)

Am. Auto Files Fire Legal Liability Form in 45 States

American Automobile has filed countrywide, except in New York, Texas and Louisiana, a form for the writing of legal liability for damage to buildings leased by, rented to, or in the insured's care, custody or control, but not owned by the insured. The rates for mercantile occupancy are 30c per \$100 of in-

surance, and for manufacturing occupancy 60c. These rates may be further reduced by 60% if the insured premises are sprinklered.

The form gives coverage on a broad comprehensive basis. Damage caused by water, hail, snow or ice is excluded. It includes loss of use coverage, comparable in the fire field to business interruption, use and occupancy or rental value insurance.

Keystone Automobile Club will sponsor a series of 10-minute travel television programs on WPTZ.

Behind the Scenes With YOUR INSURANCE COMPANY

In every insurance company there is a vital activity called Claim Service. When accidents happen, it is Claim Service that takes over for the insured and follows through until the claims are paid. But, behind the scenes Claim Service often goes much further in caring for those who would otherwise suffer undue hardship.

Students were to prevent the workers' and grenade... The association, he said, would work for elimination of...
WORKMAN IMPALED ON STEEL ROD
Man Critically Injured At Construction Project
 The workman... impaled...
 The workman... impaled...
 The workman... impaled...

Johnny M— was a young worker — healthy, well-paid, with a fine family. Then suddenly — a fall, a steel rod piercing his body! He was taken into our field hospital, established on the job as part of American Surety Group's usual service when furnishing Workmen's Compensation Insurance on a large project.

Johnny needed top-flight specialists and the best hospital care. These were immediately provided. Then began a long period of costly treatments, and continuous, expensive care. Johnny never could have afforded this, but because we took care of the entire expense it didn't cost him a cent.

Today? Well, Johnny's completely recovered and doing a full day's work just as before. And everyone who knew about Johnny's serious injuries was pleasantly surprised by his unexpected recovery.

The case of Johnny M— is one of many in which American Surety Group's Claim Service reaches far beyond what most people believe insurance does for the injured. This Claim Service is a vital part of the insurance protection offered you through every one of our agents and insurance brokers.

One of a series appearing in general and business magazines pointing out the little-known free services which our Companies provide for their insureds.



AMERICAN SURETY GROUP

AMERICAN SURETY COMPANY
 NEW YORK CASUALTY COMPANY
 SURETY FIRE INSURANCE COMPANY

Casualty • Surety • Automobile • Inland Marine

100 Broadway, New York 5, N. Y.

Insurer Held for Judgment Beyond Limits

Utilities Ins. Co. of St. Louis has been held liable by Missouri supreme court for the amount of a judgment in excess of its policy limits that was recovered against an insured, the court holding that the jury would be justified in holding the insurer did not act in good faith in failing to settle the case within the limits of the policy. The case was *Zumwalt, etc., vs. Utilities*.

Zumwalt Co. was in the business of installing overhead garage doors. One of these doors flew up injuring Carl Burneson. The latter filed an action against *Zumwalt* asking \$40,000. The *Utilities* liability policy on *Zumwalt* was in limits of \$10,000/\$20,000. Burneson got a judgment of \$15,000.

There was considerable testimony in behalf of the plaintiffs that there were opportunities to settle for \$8,500 and Maurice *Zumwalt* testified that the claim manager of *Utilities* said they could settle for only \$4,500 because \$5,000 of the limits had been reinsured and the reinsurer would not pay anything. *Zumwalt* also testified that during the trial the *Utilities* lawyer told him the case could be settled for \$7,500 and if *Zumwalt* would pay \$2,500 of his money, *Utilities* would settle the case.

Both the manager of the *Utilities* claim department and its trial attorney denied that they had these conversations. Their testimony was that they thought the case could be won.

The higher court expressed the belief that the jury could conclude that the reason *Utilities* did not settle the suit was because under no circumstances would it ever be liable for more than \$5,000 and it would prefer to take a gamble on getting a favorable verdict rather than to make a settlement within the limits of the policy. If this was its reason for not accepting the offers then it was an intentional disregard of the duty it owed to *Zumwalt Co.* and *Utilities* did not act in good faith, the court said. The assured was not interested in what the reinsurer would do. It had a right to look to *Utilities* which had issued the policy.

Employee Premiums for N. Y. TDB Cover Not Income Tax Deduction

The Internal Revenue bureau has issued a ruling that the portion of the premium paid by the employer for coverage under the New York temporary disability benefits law is not deductible in computing net income for federal income tax purposes by such employees. They do not constitute ordinary and business expenses within the meaning of the internal revenue code nor taxes within the meaning of such code. Hence the amount deducted by the employer from the wages of employees pursuant to the New York law is not deductible.

Smick Opens Own Actuary Office in New York City

NEW YORK—J. J. Smick, for the past four years with the New York actuarial firm of Woodward & Fondiller, has decided to open his own consulting actuary office at 38 Park Row, New York City. Prior to joining Woodward & Fondiller, Mr. Smick was 16 years with the National Council on Compensation Insurance.

In his new venture Mr. Smick will do general actuarial work, including that in the field of pensions where he has had considerable experience. He is a member of the American Pension Conference.

He is actuary of the New Jersey Assn. of Insurance Agents and made a special study on commissions for that association two years ago.

He is a fellow of the Casualty Actuarial Society, a member of its educational committee, and an assistant editor of its proceedings.

He has been a frequent contributor to insurance and other technical publications on such matters as the actuary as a consultant, multi-split casualty rating plans, the benefit provisions of workmen's compensation laws, etc. He was a member of the advisory board on industrial health and hygiene for the Atomic Energy Commission.

State Farm Cuts Rates in 11 States

Rate cuts ranging up to 30% covering 11 states have been put in effect by State Farm Mutual Auto of Illinois.

States affected, and the effective dates are: Idaho and Washington, April 15; Arizona, Georgia, Iowa, Kentucky, New Mexico, Utah and Wisconsin, April 16; Oregon, April 23.

The cuts are: Idaho, bodily injury and property damage, 10 to 20%; comprehensive, 15 to 25%; collision, up to 22%.

Washington, comprehensive, 10%; collision, up to 15%.

Arizona, comprehensive, 10%; collision, up to 20%.

Arkansas, B.I., P.D. and collision, up to 20%; comprehensive, 20%.

Georgia, B.I. and P.D., up to 30%; comprehensive, up to 25%; collision, 15 to 30%.

Iowa, comprehensive, 10 to 25%; collision, 10 to 15%.

Kentucky, comprehensive and collision, up to 20%.

New Mexico, comprehensive, 10 to 25%; collision, up to 10%.

Oregon, B.I. and P.D., up to 6%; comprehensive, 10 to 15%; collision, 10 to 25%.

Utah, comprehensive and collision, up to 15%.

Wisconsin, B.I. and P.D., up to 10%; comprehensive, 10 to 20%; collision up to 15%.

Announce Plans for Kansas City Fidelity Sales Congress

The popular casualty and fidelity sales congress sponsored by Casualty & Surety Underwriters Assn. of Kansas City has been slated for May 4, in the Municipal Auditorium.

Gordon Kellner, manager of Aetna Casualty, is chairman of the program committee, and will preside at the congress. The speakers will be Herbert E. Duncan, Kansas City architect; Erwin A. Gaumnitz, professor of commerce at the University of Wisconsin; Fred Sharp, of the extension department of the University of Kansas; Corlett T. Wilson of the Wilson & Wilson agency, Rockford, Ill.; James V. Walsh, home office representative of Aetna Casualty, and James C. O'Connor, editor of the "Fire, Casualty & Surety Bulletins."

TDB Cooperation Praised

Effective administration of New York state's new disability benefits law will depend largely upon the wholehearted cooperation of insurance, Miss Mary Donlon, chairman of the state workmen's compensation board, told more than 300 men and women attending the all-industry dinner at Syracuse, N. Y.

"The splendid and untiring cooperation given state officials during six weeks of almost continuous conference by representatives of insurance, management, labor, physicians, bar associations and other interested groups is almost as remarkable as is the law itself," Miss Donlon said.

New Jersey division of employment security, which handles the state's unemployment and disability benefits law, has prepared a chart to explain to workers the benefits provided by the law. The chart is changed quarterly. A million copies a year are distributed to workers in the state.

Radiation Study Now Under Way

Following a preliminary meeting of representatives of several of the leading fire and marine insurance groups with members of the fire protection section of AEC at New York recently, it was agreed that a committee be formed to study the subject fully as it relates to insurance. W. H. Forristall, vice-president of Factory Insurance Assn., was appointed chairman and E. H. Williams, president of Cotton & Woolen Manufacturers' Mutual, secretary. The groups represented in the committee are factory mutuals, Associated Reciprocal Exchanges, Board of Underwriters of New York, F.I.A.; Improved Risk Mutuals, I.M.U.A., and Inland Marine Underwriters Association, National Board.

At the first regular meeting of the committee at New York, attended by representatives of these groups and by D. F. Hayes of the Washington office and E. J. Kehoe of the New York office of AEC the scope and objectives of the committee's work were tentatively determined and a plan of action outlined.

In general, the objectives of the committee are: To obtain information to the extent permitted by security on users of radioactive isotopes and fissionable materials, where insurance has an interest; to learn the special aspects of transportation and use of radioactive materials, both isotopes and fissionable, with respect to the rating of risks; to accomplish wider dissemination of information concerning the special fire risks associated with nuclear energy materials and education regarding them among the personnel of the insurance industry; to help develop standards for safeguarding radioactive and fissionable materials and the prevention of damage to property or injury to persons by such materials.

A technical sub-committee was appointed to study, compile and translate information for the guidance of the committee, they being W. M. Jones, chief engineer of F.I.A., A. L. Brown, chief engineer of factory mutuals; Horatio Bond, chief engineer of N.F.P.A., and Matthew M. Braidech, director of research of National Board.

Mutual Casualty Group Plans Management Forum

An address by Robert E. Dineen, New York superintendent, will highlight the two-day session on management problems of Conference of Mutual Casualty Companies at Highland Park, Ill., May 11-12. Mr. Dineen will speak at the banquet Thursday evening.

Other speakers will be Robert F. Main, insurance investment counsellor of Philadelphia; Herbert E. Evans, vice-president of Farm Bureau Mutual Auto; Dr. Fred A. Replogle, Rohrer, Hebler & Replogle, management consultants of Chicago, and Richard Carlson, Roberts & Slade management consultants of New York. Open forum discussions will follow each address. Chairman of the committee on management problems is Charles W. Leftwich, Farm Bureau Mutual Auto.

Mass. Flat Rate Move Defeated in Legislature

The Massachusetts house decisively defeated an initiative petition for the establishment of a uniform flat compulsory automobile insurance rate for the state.

Proponents of the measure, however, have started circulating petitions to get the necessary additional 5,000 signatures to have the proposal appear on the ballot in November.

Insurance companies have withdrawn their challenge of the 70,000 signatures already acquired and filed by the proponents.

The house battle was a fight between

representatives of the large communities and those of the smaller areas.

Rep. Canavan of Revere, sponsor of the legislation, complained that autoists in cities such as his are forced to pay the maximum rate of \$56 for compulsory liability insurance while owners in 175 of the smaller communities paid only \$16.20.

Rep. Hedges of Quincy expressed the fear that a flat state-wide rate was the stepping stone for the establishment of a state fund. Hedges cited a move made in that direction a few years ago when proponents of such legislation came up with a "mythical figure of \$35 a year."

He asserted that legislators from high rate cities always come up with "some such mythical flat rate figure."

The vote was 139 to 77 against the flat rate proposal.

Among Harvard Course Students

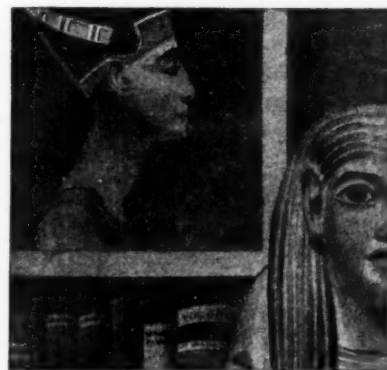
Among those attending the advanced management program at Harvard University graduate school of business administration Feb. 23-May 19, this year, are Henry T. Batts, resident vice-president and divisional sales manager at Chicago of American Mutual Liability; John W. Joanis, assistant secretary,

Hardware Mutual Casualty, Stevens Point, Wis.; Frank G. Smith, treasurer Liberty Mutual, and Grant A. Martell, assistant treasurer New York Life.

M. & M. Expands in Minn.

Marsh & McLennan has added Dale K. Warner and Hugh C. Anderson to their Minneapolis office life and A. & H. departments.

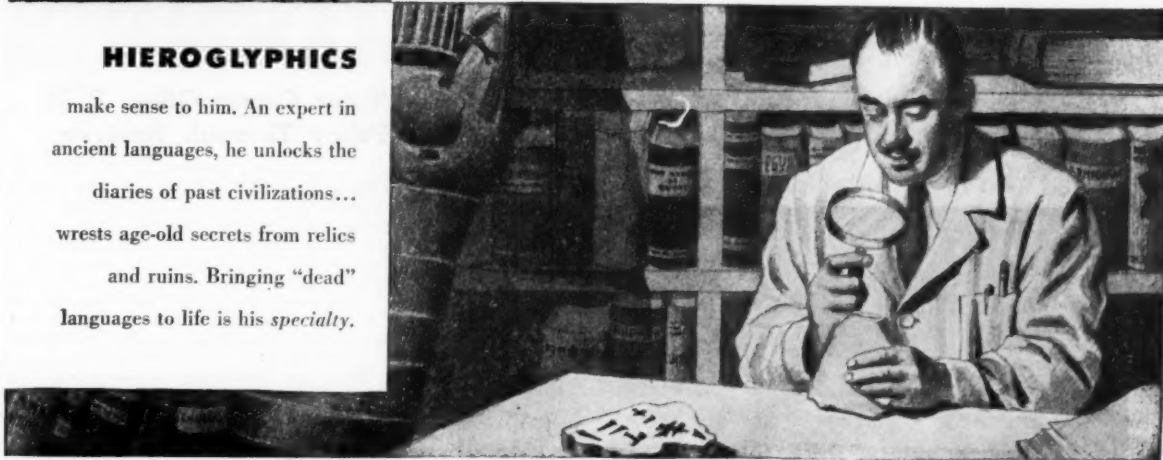
Both are Minnesota graduates and navy veterans. The Minneapolis office has recently taken 2,000 additional feet of floor space to provide for the expansion of the two departments.



Like F&D,
he SPECIALIZES

HIEROGLYPHICS

make sense to him. An expert in ancient languages, he unlocks the diaries of past civilizations... wrests age-old secrets from relics and ruins. Bringing "dead" languages to life is his specialty.



Often, an agent's spade-work on an account will uncover an opportunity to write fidelity and surety business. But he may not have the time or experience to interpret his findings to the prospect in compelling terms.

For this reason, over 9,000 agents and brokers rely on F&D—bonding specialists since 1890—for assistance in translating opportunities into extra commissions. A call to one of F&D's 50 field offices brings a seasoned bonding specialist to the scene, to help get business. To help hold it, F&D has other specialists: its claim adjusters, whose long experience assures prompt, satisfactory settlements.

There's no question about it...specialization means better bonding service, to both agents and clients.



FIDELITY AND DEPOSIT COMPANY
Baltimore Maryland

FIDELITY AND SURETY BONDS
BURGLARY, AND OTHER NEEDED
FORMS OF INSURANCE

AFFILIATE: AMERICAN BONDING COMPANY OF BALTIMORE

Kossman Heads Miss. Mutual Agents

VICKSBURG, MISS. — A. J. Kossman of Greenville, vice-president Mississippi Mutual Agents Assn., was raised to the presidency at the annual meeting here, succeeding Forrest Thomas, Vicksburg. The two day convention drew full houses for the four business sessions and the entertainment, which included dinner and a show on the steamer "Sprague" Monday evening.

In addition to Mr. Kossman the new directors are: H. L. Harder, Starkville; Goodloe Lov, Leland; Howard G. McGee, Jackson; W. H. Sparrow, Hattiesburg, and W. Frank Wood, Cleveland.

Several Vicksburg business men and agents representing stock companies were guests at the opening session at which long range problems were discussed. Among the guests were Theo. Hardy, Vicksburg, past president and past state national director Mississippi Assn. of Insurance Agents, and Senator John Culin, Vicksburg, chairman state senate insurance committee, who spoke briefly. Commissioner White spoke at this session and J. C. O'Connor, Cincinnati, editor "Fire, Casualty & Surety

Bulletins," of THE NATIONAL UNDERWRITER, discussed trends and developments in the business, particularly non-occupational disability compensation laws and the proposals for automobile accident compensation in a number of states.

Montgomery, Heath on Program

Monday afternoon, W. J. Montgomery, Kansas City, general manager Bruce Dodson & Co., discussed underwriting to reduce insurance costs. Casualty Reciprocal Exchange of the Dodson organization is now writing through mutual agents in Mississippi and is the third largest casualty writer in the state. Howard Heath, Chicago, assistant vice-president Northwestern Mutual Fire, discussed reporting forms, followed by a panel on administrative procedure. E. A. Ullrich, Atlanta, manager Utica Mutual, was chairman, with W. F. Laughlin, Jackson, rating director Mississippi insurance commission; F. J. Carroll, Jackson, manager Mississippi State Rating Bureau; and B. L. Hewett, Lansing, vice-president Michigan Millers Mutual Fire, as panel members.

Tuesday's program featured P. L. Baldwin, Washington, executive secretary National Assn. of Mutual Insurance Agents, on the program of the

national association; M. L. Landis, Van Wert, O., counsel Central Manufacturers, on education available to mutual agents; J. P. Craugh, Utica, N. Y., attorney Utica Mutual, on the threat of socialized insurance, and a sales panel. W. H. Bradley, Indianapolis, manager Grain Dealers Mutual Agency, was moderator and the panel members were J. F. Montgomery, Jackson, past president Mississippi association; R. N. Hiett, Indianapolis, agency supervisor Indiana Lumbermens Mutual, and Tillman Wheeler, special representative W. J. Perryman & Co., Birmingham general agency.

The Reid-McGee general agency of Jackson was host at luncheon Monday and a cocktail party was sponsored by the Perryman organization.

Cal. State Auto License Suit Won by Downey

The district court of appeals at San Francisco has upheld Commissioner Downey of California in suspending the liability insurance license of California State Automobile Association. The suspension will hold until the association joins the assigned risk plan if a final decision upholding the one of the San Francisco court is rendered in the case. The order is under stay until this decision is forthcoming.

In the event Cal-State Auto fully joins the assigned risk plan, it will not only take its share of assigned risks, it is said, but will have to accept risks to the amount avoided during the litigation.

Sister Kenny Offers Polio Policy Through Reserve

The Sister Kenny Foundation of Illinois is now offering a polio insurance plan through Reserve of Chicago. The policy offered is the standard polio policy of Reserve, but on policies written through the Kenny foundation, Reserve agents have agreed to contribute their commissions to the foundation to help those who cannot afford the insurance. The policies will be written through agents.

Both the insurance company and the foundation feel this is the answer to what they regard as the mistaken attitude that has grown up that the individual needs no provision against polio and will be automatically taken care of should he or his family fall victims.

The foundation seeks to influence citizens to provide for themselves, except where indigent, through the small policy fee.

The Reserve policy costs \$5 a year for a family. The plan covers costs up to \$5,000 for three years after the illness strikes and indemnifies against the customary expenses.

Schmitz Los Angeles Speaker

LOS ANGELES — Walter Schmitz, superintendent of accident and sickness sales of Occidental Life, spoke at the April meeting of A. & H. Managers Club of Los Angeles on "Salesmanship."

Am. Alliance Ups Dividend

American Alliance has paid a quarterly dividend of 30 cents a share. This compares with the previous regular rate of 25 cents. Last year there was an extra distribution of 20 cents.

Secured Group Luncheon

Secured Underwriters, Secured Fire & Marine, and Secured Casualty will hold a luncheon meeting at Indianapolis, May 8, in honor of President R. B. Parrott, the founder. The speaker will be John Templeton, president of Templeton, Dobrow, Vance, New York investment counselors of the Secured group.

Home Indemnity has opened an office at Buffalo under R. C. McPherson.

R. H. Carruthers has been named Philadelphia district safety director for the Kemper group.

10% Outbuilding Cover Litigated

A two-car frame garage on the back of an insured dwelling that was used in the business of repairing automobiles, is not covered under the provision making applicable up to 10% of the amount of the insurance on the dwelling to cover on private structures appertaining to the premises and located thereon. This was the decision of Wisconsin supreme court in Zierbarth et al. vs. Fidelity & Guaranty.

There was a loss of \$600 to the garage. The supreme court said the policy was for a dwelling house and by referring to private structures appertaining to the dwelling house, its coverage was limited to buildings generally in the individual and private use of the owner. A car repair shop which was open to the public was thus definitely excluded.

The insured argued that the company was liable because the agent knew of the use of the garage.

The court observed that the insured is relying on cases in which it has been held that knowledge by the insurer of facts which breach conditions of the policy and make it void, constitutes a waiver of such breach. Those cases are specifically provided for in the statute. There is a clear distinction between knowledge of such facts and of facts which take certain items out of the coverage of the policy. Here there is no evidence of intent to cover anything else except "private structures" appertaining to the house. There is no evidence of specific intent to cover the garage. The dwelling remained covered to the full amount. Therefore, the garage, not being a private structure is not included within the coverage of the policy.

Remove Installment Plan from Auto Rules

Mutual Casualty Insurance Rating Bureau has eliminated from its New York automobile manual the installment premium rule. This follows Superintendent Dineen's action in ruling that the department had no credit regulatory powers. National Bureau of Casualty Underwriters reportedly is considering the problem which is thought to apply to casualty, surety and marine fields as well as fire.

Hohaus, O'Leary Featured

The University of Wisconsin school of commerce will observe its 50th anniversary with a program May 9-10, featuring as speakers some of the nation's outstanding economists and business leaders, including those in the field of insurance. The theme is "Mid-Century Appraisal of the American Business Scene."

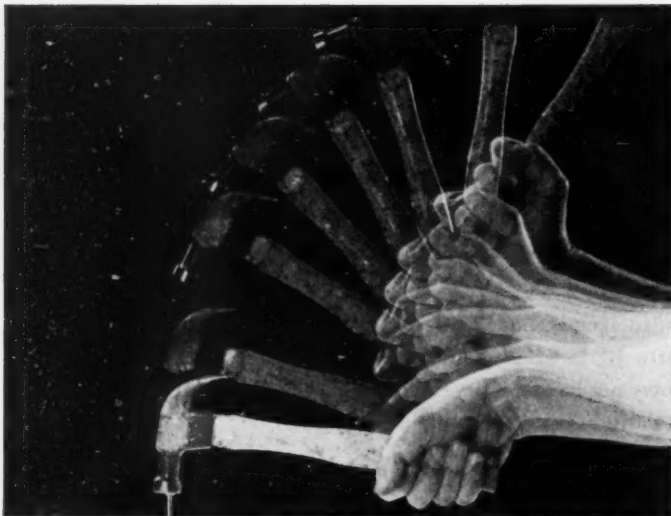
Insurance topics to be covered in addresses and panel discussions will include "Security Through Insurance" and "Basic Approaches to Disability Benefits Legislation."

Dr. Charles C. Center, professor of insurance, will serve as chairman of the sessions on insurance.

Insurance speakers include Reinhard A. Hohaus, actuary of Metropolitan Life, on the problem of the relationship of the private insurance company to the government regarding the functions of each in providing for the hazards of old age, death, and disability and James J. O'Leary, director of investment research Life Insurance Assn. of America, "Research and the Investment Problems of Financial Institutions."

Home Indemnity Appointees

A. Farris Evans and Robert C. Mehrtor have been appointed special agents at Memphis of Home Indemnity. Mr. Evans joined the Memphis office in 1949. He is a member of the Tennessee bar. Mr. Mehrtor joined the company in 1947 and was transferred to Memphis in 1949.



Where have you seen this picture before?

In TIME? Yes. In the SATURDAY EVENING POST? Yes. In one of our 1950 national advertisements? You're absolutely correct! Millions of persons saw this ad. Millions of persons are always seeing our ads... ads that

keep hammering home, month after month, the single point that for Bonds... Fidelity and Surety Bonds... the man to see is The Man with the Plan. The Employers' Group Agent or Broker. Why not get on our Bond Wagon?

The Employers' Group Insurance Companies

110 MILK STREET, BOSTON 7, MASS.
THE EMPLOYERS' LIABILITY ASSURANCE CORP., LTD.
AMERICAN EMPLOYERS' INSURANCE CO. THE EMPLOYERS' FIRE INSURANCE CO.

ACCIDENT AND HEALTH

Lundquist Chicago A. & H. Assn. Head

Clayton F. Lundquist of McCormick, Beatty, Lamb & Fergus as president heads the slate of new officers of Chicago A. & H. Assn. presented at its April meeting Tuesday and unanimously approved by the association. Vice-presidents are Albert H. Wohlers, Youngberg-Carlson Co.; Donald C. McVey, Meeker-Magner Co., and Harold T. Roos, Accident & Casualty; secretary, Miss Marie Meade, Health & Accident Underwriters Conference; treasurer, Roy W. Holland Loyalty group.

On the executive board are John H. Campbell, Provident Life & Accident, retiring president; Irving G. Wessman, Loyalty group; Harold L. Bredberg, National Service & Appraisal Co.; Benjamin H. Groves, Travelers; Robert B. Kegley, Moore, Case, Lyman & Hubbard; Jay De Young, Continental Casualty; George J. Mauloff, Royal-Liverpool; Jack Olson, Combined, and Frank Sherwin, Mutual Benefit H. & A. Mr. Wessman was chairman of the nominating committee.

New officers of the women's division of the association, which had charge of this meeting, also were announced. They are: President, Carrie Grae, Hooper-Holmes Bureau; vice-presidents, Helen Baltz, Washington National, and Veronica Cardott, Provident L. & A.; secretary, Mary Girard, Insurance Economics Society; treasurer, Marian Zuckerman, Unite.

Mrs. Maryland V. Hull, Zurich, retiring chairman of the women's division, presided after the preliminary business meeting and introduced Melvin J. Evans, specialist in human engineering and editor-in-chief of "Democracy in Action," who spoke on developing personality as a factor in sales success.

Atlantic Mutual Develops Rate Plan for N. Y. TDB

A rating program for writing New York disability benefits insurance has been prepared by Atlantic Mutual and sent to brokers and agents.

As a rating base, Atlantic is using wages not to exceed \$3,000 yearly for each employee. Four rate categories are indicated, the variation being based on the percentage of female employees to the total. These rates apply to all risks regardless of size.

An innovation is the introduction of a schedule rating plan which provides discounts to larger risks which maintain certain medical services. A 5% discount is granted where pre-employment physical examinations are and have been required for not less than two years; a 10% discount is granted where the employer maintains a dispensary staffed by a physician or full-time graduate nurse which provides care for non-occupational illness or injury; and 5% is granted where the employer maintains a visiting nurse service which will provide treatment for non-occupational disability.

Under the policy the employer reports wages quarterly, coincident with the preparation of his social security and unemployment insurance returns. This simplifies handling, since the social security or unemployment insurance payroll is also used to determine the premium for insurance.

New Polio Policy

Farm Bureau Mutual Automobile of Ohio has brought out a polio policy. In addition to covering the expenses of hospital care, iron lung, medical care, nurses' care, transportation, ambulance service, the contract includes board and room expenses for a member of the family who desires to be near the victim during the hospitalization period.

Case Ohio A. & H. Association Head

At the annual meeting at Columbus of Ohio Assn. of A. & H. Underwriters, William A. Case, Inter-Ocean, Cincinnati, was elected president; L. J. Erlsten, Hoosier Casualty, Canton; William A. Knight, Federal Life & Casualty, Cleveland, and R. W. Bickelhaupt, Mutual Benefit H. & A., Cin-

cinnati, vice-presidents; Homer Trantham, Insurance Federation of Ohio, Columbus, secretary. Charles U. Pugh, Loyal Protective Life, Columbus, retiring president, becomes chairman of the trustees.

A resolution was adopted opposing the provisions in H.R. 6000 providing for an increase of the taxable wage base from \$3,000 to \$3,600, total and permanent disability benefits, and the payment of a death benefit for all insured workers. The association said that under the pay-as-you-go system now being followed under social security there appears no need to raise the taxable wage base. Another resolution

adopted opposed "any form of compulsory health insurance or any system of political medicine designed for bureaucratic control."

Speakers were John B. Lambert, Mutual Benefit H. & A., Cleveland, vice-president International association; E. H. O'Connor, Insurance Economics Society; W. B. Cornett, vice-president Loyal Protective Life; Alfred K. Perego, Wisconsin National Life, Milwaukee; Lloyd H. Feder, Reliance Life, Cleveland, and Roscoe R. Walcutt, state senator, Columbus.

Tenn. Medical Plan Success

MEMPHIS — "Further extension of

STERLING ANNOUNCES SENSATIONAL NEW DOCTOR BILLS PLAN

GENERAL AGENTS, BROKERS, WRITING MEN:

Mail Coupon for Specimen Policy and Special Preview Bulletin on 1950's Hottest Insurance News

This is the Doctor Bills coverage America has been looking for—the simple, modern, low-cost plan which provides real protection at a price every family can pay. Leading medical authorities agree that this kind of coverage is needed—and alert insurance men will see the big potentialities for real earnings.

- ★ Pays actual doctor bills for surgery or medical care—no limited schedule of benefits!
- ★ Three plans—complete flexibility of coverage and cost! \$250 (\$10 deductible), \$500 (\$25 deductible), \$1000 (\$50 deductible).
- ★ No termination age—no reduction in benefits!

You're invited to get in on the ground floor—to join the Sterling Profit Parade! Send for specimen policy and full information today!

Write Today... OR MAIL COUPON TO

L. A. BRESKIN, President

STERLING INSURANCE COMPANY

1303 Sterling Building - Chicago 11, Illinois

STERLING INSURANCE COMPANY

TERRITORIES NOW OPEN for aggressive General Agents interested in quick and lasting success with Sterling's complete line of quality insurance. Our agency success stories grow greater each day. We are eager for more. If you are, too, write L. A. Breskin, President, for all the facts.

L. A. BRESKIN, President
Sterling Insurance Company
1303 Sterling Bldg., Chicago

Please send me Specimen Policy
and Special Preview Bulletin on
Sterling's new Doctor Bills Policy.

NAME _____

ADDRESS _____

CITY _____ ZONE _____

STATE _____

voluntary prepaid plans will show that doctors and the public can solve economic problems of illness without the regimentation of compulsory health insurance," Dr. N. S. Shofner of Nashville told Tennessee Medical Assn., reporting that 18 insurers are now selling the association's prepaid medical and surgery policy, with applications of six other companies on file, and 127,000 persons already insured. He reported that 1,600 doctors are co-operating in the plan, which has been in operation nine months.

Kansas Assn. of A. & H. Underwriters will meet April 24 at Wichita with Rob-

ert Tyler of the Tyler agency, Wichita, in charge of the program.

Lumbermens Mutual Brings Out \$10 Polio Coverage

Lumbermens Mutual Casualty has brought out a new polio policy offering three-year coverage to a family of four, husband, wife and two unmarried children under 18, for \$10. Statistically, the average U. S. family has 3.8 members.

The policy pays up to \$5,000 and covers hospital, doctor, and nursing expense, regular commercial air or rail transportation from the place where the

policyholder is stricken to a hospital or sanitarium, and local ambulance service to and from the hospital. The policy is in force from date of issue and there is no waiting period.

Larger families are covered for higher premium charges. The three-year policy costs \$15 for a family with three unmarried children under 18 and \$20 for a family with four or more unmarried children under 18.

Plans Ready for Ind.

A. & H. Sales Congress

Talks by Reginald Snyder, American Hospital & Life, St. Louis, and J. C. Doyle, central sales manager of Ford Motor Co., and a clinic on prospecting, presentation in closing, will be offered at the sales congress April 28 of Indiana Assn. of A. & H. Underwriters at Indianapolis.

Mr. Snyder will give an inspirational talk entitled "Magnificent Obsession" at the luncheon. Mr. Doyle's address will follow the banquet. His subject is, "We Are in the People's Business."

The sales clinic will be divided into three groups covering prospecting, conducted by Paul Williams, Indiana manager of World; presentation, guided by Chet Elson, Mutual Benefit H. & A., and closing, under the direction of Charles Cooper, Business Men's Assurance, Springfield, Ill.

Texas Officers Installed

Texas Assn. of A. & H. Underwriters at a meeting at Houston installed the new officers elected last month headed by George M. Parks, American Hospital & Life, Houston, as president.

L. C. Woodham, Great American Reserve, Dallas, brought out that many managers will join and attend association meetings but that they do not encourage their agents to become members. He said this has resulted from the proselyting done when personal producers have become active in an association.

Emerson Davis, Inter-Ocean, Dallas, suggested that in the cities where the larger associations are located an organization of A. & H. managers could bring about the correction of this proselyting problem. He feels that managers meeting and discussing the matter of proselyting will help to develop a stronger organization and a more healthful condition.

Mutual Benefit H. & A. and United Benefit Life have appointed M. Arnold district manager at Owensboro, Ky. His son, C. M. Arnold, is associate manager.

COMPENSATION

Probe of Mass. "Comp" Insurers Recommended

The Massachusetts legislative committee on insurance, acting upon a proposal of Massachusetts Federation of Labor, has recommended an investigation of workmen's compensation insurance. The union originally asked for a probe of the entire insurance business, but the committee refused this and will investigate workmen's compensation only.

Ticketed for examination are rates and their method of establishment, amounts paid to beneficiaries, expenses and overhead of companies and other matters relative to the state's workmen's compensation act.

'Comp' Session at Chicago

A session on workmen's compensation and insurance is scheduled for April 25 at Chicago during the Industrial Health Conference. Speakers include Mary Donlon, chairman of New York State workmen's compensation board on "Medical-legal and Social Problems of Non-occupational Temporary Disability Benefits"; Ashley St.

Clair, legal counsel Liberty Mutual on "Medical, Legal and Social Problems in Permanent Disability Cases"; Harry A. Nelson, workmen's compensation director of Wisconsin industrial commission on "Should There Be Free Choice of Positions under Workmen's Compensation?" and Dr. Ben Frees, retiring president Los Angeles County Medical Assn. on "The Philosophy and Implications of Fee Schedules."

R. I. Kills State Fund Move

A bill calling for study of a workmen's compensation state fund has been killed by the Rhode Island senate. Calling the bill a step toward a state fund, Republican senators hotly opposed it.

CHANGES

Am. Auto Has Eastern Changes

American Automobile has made a number of executive appointments in the eastern division.

James P. Hughes, vice-president, is moving his headquarters from Philadelphia to New York. Matthew S. Dunne, assistant vice-president, now serving as personnel and technical training director at the home office, will join the New York office to assume executive supervision of all underwriting operations.

Irving G. Smith, in charge at Newark, becomes manager at New York with executive direction of production of all lines. Edgar E. Isaacs will continue as assistant manager at Newark. R. W. Clarke, who has been on an extended leave of absence for health reasons, is due to return to duty soon as resident vice-president at Newark.

Donald P. McKay, assistant manager at Philadelphia, will become manager there and continue in charge of production. Edward M. Saunders is assistant manager at Philadelphia in charge of underwriting.

At Newark, George R. Stanyon is promoted from underwriting manager to assistant manager, and Alfred E. Eynon has been named underwriting manager.

Mr. Hughes joined American Automobile in 1927 after service with the navy as an Annapolis graduate. He was in Chicago and St. Louis before moving to Philadelphia in 1930. He was elected vice-president last year. He is taking direct charge at New York and the eastern territory.

Mr. Dunne attended New York University and started in the business with Fidelity & Casualty, joining American Automobile in 1941 at Pittsburgh. After war service with the navy, in 1946 he went to St. Louis as senior underwriter and two years later was elected assistant vice-president.

Mr. Smith started with American Auto in 1942 at Newark, becoming assistant manager there in 1948. Mr. McKay, a graduate of the University of Wisconsin, started in the business in 1927, joining American Automobile at Chicago in 1941. He was underwriting supervisor at Chicago before transferring to Philadelphia in 1948. Mr. Stanyon attended Brown University. He started in insurance in 1940 with Employers Liability and joined American Auto in 1942 at New York, being transferred to Newark in 1946.

Mr. Eynon started with General Accident and joined American Auto in 1947. He has been supervising underwriter at Newark.

Pacific Employers Shifts

HOUSTON—Several staff changes in the southwestern department of Pacific Employers have been made.

Reynolds Garner has been appointed superintendent of underwriting. Clyde H. Cole, formerly in charge of underwriting at Houston, has been transferred to Dallas in a similar capacity. D. J. Kosék has been named superin-



Does the payment of claims represent *complete* protection in workmen's compensation and products liability coverage? Not at all!

Occupational health hazards decrease industrial profits by lowering employee efficiency and morale. Products liability suits undermine public confidence. A competent industrial hygiene service can help control both of these profit-destroying situations.

The industrial hygiene laboratories of the Zurich-American Companies are internationally renowned—staffed by skilled technicians whose protective service is available to your industrial insureds.

Ask a Zurich-American Field Man...

...to explain how this analytical service can help your clients and at the same time help *you* control your present industrial accounts and acquire profitable new business.

ZURICH-AMERICAN INSURANCE COMPANIES

• Zurich General Accident and Liability Insurance Company, Ltd.

• American Guarantee and Liability Insurance Company

Head Office

135 SOUTH LA SALLE STREET
CHICAGO 3, ILLINOIS



Mutual on Problems; Harry compensation trial com- Be Free Workmen's en Frees, es County sophy and

Move of a work- has been nate. Call- state fund, osed it.

S made a tments in

resident, is Philadel- S. Dunne, serving as g director the New ive super- rations. t Newark, k with ex- on of all ontinue as t. R. W. extended easons, is s resident

manager manager of produc- assistant charge of

ron is pro- nager to E. Eynon manager. an Auto- with the . He was e moving as elected is taking the east-

ork Unin- ness with American gh. After 1946 he derwriter assistant

ican Auto assistant McKay, a Visconsin. 7, joining Chicago in supervisor to Phila- attended in insur- Liability 1942 at o Newark

meral Ac- Auto in g under-

ts changes in of Pacific

appointed g. Clyde of under- en trans- capacity. superin-

tendent of the payroll audit department. W. J. Strehorn, Dallas underwriter, has been transferred to the safety engineering department here. A. J. Pendleton has been named resident claims adjuster at Corpus Christi and LeRoi H. Farlow resident adjuster at Midland.

National Surety Has Midwest Field Changes

C. R. Brown and Roger Penner have taken up duties as special agents traveling out of the Kansas City office of National Surety. They will cover Kansas and western Missouri.

R. C. Raffetto has been appointed area underwriter for mid-central department of National Surety in Kansas City.

James McDonald has joined the Denver office, and Howard Bickory has joined the Omaha office. Both are special agents.

Home Indemnity Men

Kenneth E. Black, vice-president and secretary, and Arthur F. Herman, vice-president and secretary of Home Indemnity have been elected directors of the company. Henry B. Reinhardt has been promoted from assistant treasurer to treasurer.

O'Grady Takes New Post

William J. O'Grady, former special agent in the production department of the Royal-Liverpool metropolitan office at New York, is now preparing at the home office of American Indemnity, Galveston, to take over fidelity and surety development in a territory to be assigned. While in Texas he will make a bond business survey in one of the larger Texas cities.

Kenneth Evans Now V.-P.

Kenneth Evans has been elected vice-president of Universal Underwriters of Kansas City. The company was organized last year by J. J. Lynn, and started writing business in January. Mr. Evans has been with the company since shortly after its organization. He was formerly with Mid-State of Chicago.

McElroy, Burke Advanced

Frederick A. McElroy, claims manager at Boston for Fidelity & Casualty and manager of the automobile loss department of the fire companies of America Fore, has been advanced to regional supervising attorney of claims for the eastern district. He is succeeded at Boston by Alexander B. Burke, formerly claims manager at Hartford.

James West to Economy

James West, until recently a vice-president of Capitol Indemnity of Indianapolis, has now joined Economy Auto of Freeport, Ill., as Indiana state agent. He started in field work 20 years ago with Grain Dealers National Mutual Fire. He has also seen service with Marsh & McLennan and Trinity Universal.

Nicholson Fidelity Chief

A. Lee Nicholson, Jr., has been appointed manager of the fidelity department of Maryland Casualty. He joined the company in 1918. In 1943, after 25 years as an underwriter in the fidelity department, he was appointed assistant manager of that department.

Mr. Nicholson succeeds the late Leslie S. Wilson.

Nashville Branch Opened

A branch office of Preferred Accident, serving Tennessee and southern Kentucky, has been opened at Nashville by David A. Cochran, formerly with National Surety.

McCarthy to Local Agency

Albert McCarthy, well known contract bond man, has joined the Seattle local agency of J. H. Morris, Jr. Mr.

McCarthy was for nine years with the bonding department of United Pacific and later was with General Casualty's head office for 10 years.

Allstate Opens New Office

Allstate has established an office at Rochester with John H. McGillen as manager.

Mr. McGillen has been with Allstate since 1938 and served as assistant claim manager of the metropolitan New York branch in 1948. He is a graduate of Loyola University and Kent law school.

COMPANIES

Stock Split Proposed by Pacific Employers

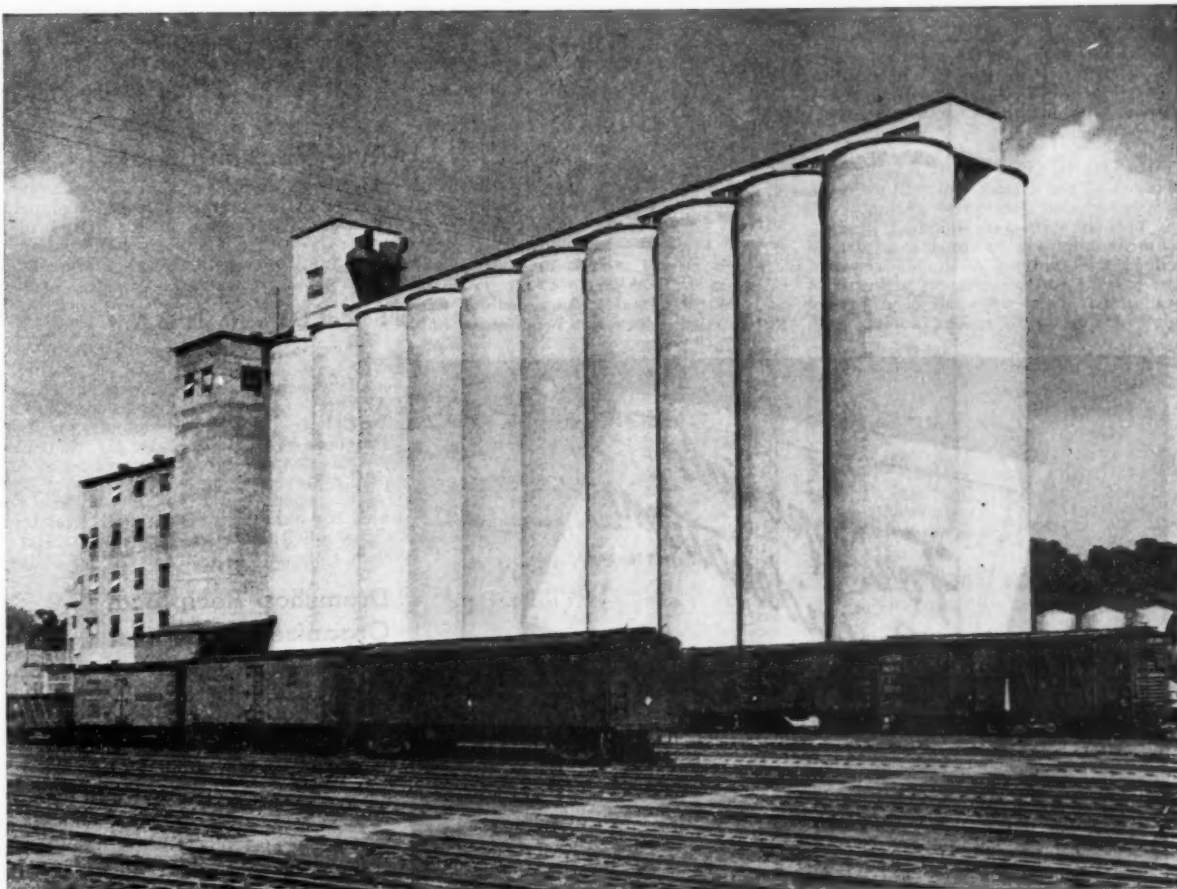
LOS ANGELES—Pacific Employers asked the California department to approve a 10 for one split of its stock.

Its present capital is \$1,350,000, represented by 13,500 shares of \$100 par value. It would change this to 135,000 shares of \$10 par value.

Casualty Mutual's Gains

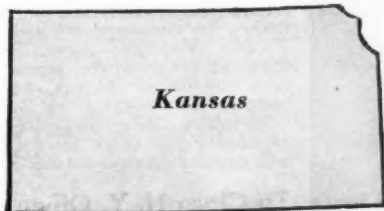
Casualty Mutual of Chicago completed in 1949 its third straight record year. The gain in gross premium for the five years ending 1949 was 65.8%. Gross premiums for five years were \$3,099,166 compared with premiums for the five years ending in 1944 of \$1,868,582. Assets during the five year period ending in 1949 increased 131% to stand at \$690,513. Surplus to policyholders is \$169,290.

I.E.A. Mutual has been licensed in Arkansas. It is now operating in Illi-



Serving the Leaders

Grain elevators at Kansas City, Kansas, the center of the nation's grain industry.



First in wheat, first in flour milling—agricultural development has long been the chief economic interest of flat, fertile Kansas. And underneath the surface of the sun-baked prairie, lies a wealth of "black gold" and the largest salt mines in the world. It is close to the top in cattle, too, with Kansas City second only to Chicago in slaughtering and meat-packing. Giving security to the outstanding developments of the Sun Flower State whose resources contribute so much to our American standard of living, we are continuously "Serving the Leaders."

UNITED STATES GUARANTEE COMPANY

NEW YORK CITY

FIDELITY

SURETY

CASUALTY

Aviation Insurance through Associated Aviation Underwriters

nois, Iowa, Missouri and Arkansas. It specializes in teacher coverages and pupil and athlete accident insurance.

SURETY

Report Agreement Reached on U. S. Employee Bonding

The House expenditures subcommittee on government employees bonding will hear April 25, surety representatives testify on the modified plan which they have agreed upon with government officials for a bonding program, with premiums payable by the government.

WASHINGTON—Early meeting was planned of the House expenditures subcommittee that has been dealing with the problem of surety bonding of government employees to consider a plan to reduce the number of bonds required and provide for government payment of premiums. This plan has been agreed upon, according to report, among gov-

ernment officials, surety interests and staff members of the House committee.

While details were not available, pending a hearing before that body, it is understood that the agreed plan would provide for a further reduction in the number of bonds for government employees below the 85,000 bonds contemplated under the original plan recommended by the surety people. That plan would have reduced the number of bonds from the more than 1 million required under the present setup. It would also have resulted in reduction of between 20 and 30% in total premiums charged individual employees.

The modified plan would provide for a system of blanket bonds and position schedule bonds, with government paying premiums. Surety interests did not "recommend" this plan, but have "agreed" to it. Since members of congressional committees have been agitating for reduction of premiums, and some of them for government payment of premiums, the modified plan could receive approval of Congress at this session, surety men believe, if the matter is pushed along without delay.

If the House acts on the matter first, it is understood Senator Hoey, chairman of the Senate group dealing with the problem, does not propose to hold

hearings on the modified plan, unless he receives requests for such meetings.

Restitution Reported in Ill. Bank Loss

H. H. Melton, former cashier of First State Bank of Mounds, Ill., and school district treasurer, has restored \$113,519 to the accounts of the bank and of the school district, it was announced, following a meeting of directors of the bank and the township trustees. He had been formally charged with embezzlement of \$1,500 in school funds, but State's Attorney Wall had announced that an audit revealed \$112,447 missing from the various accounts.

Aetna Casualty was on the bank bond and Maryland Casualty on the school bond.

Kyle Simpson Speaks

Kyle E. Simpson, Chicago manager of Home Indemnity, addressed a dinner meeting Wednesday of Casualty Adjusters Assn. of Chicago on "Relationship of Underwriting and Claim Departments."

Sadler Up a Notch in N. J.

The Surety Underwriters Assn. of New Jersey has moved W. A. Sadler, manager of Century Indemnity in Newark, to vice-president, succeeding C. L. Griffith, Travelers Indemnity, transferred to Worcester, Mass. Mr. Sadler's post as secretary-treasurer will be filled at the May meeting.

The annual outing is tentatively scheduled for June 2 at Essex Fells country club with Ralph Hawkins, New Amsterdam Casualty, in charge.

Dramshop Reciprocal Organized in Illinois

Illinois Casualty Co. (an Inter-Insurance Exchange) is the name of a reciprocal that has been organized at Moline, Ill., for the purpose of writing dramshop liability insurance in Illinois. It was licensed April 13. Blackhawk, Inc., is the attorney-in-fact. Minimum surplus requirement is \$50,000. President and treasurer is John P. Moran, vice-presidents include Virgil Bozeman and Robert A. Klockau, and Edna Sackey is secretary. Offices are in the First National Bank building, Moline.

John P. Moran has owned and operated the James A. Moran agency at Rock Island, since 1937. Vice-President Virgil Bozeman, Bernard J. Moran, and Robert Klockau are trial attorneys and Mr. Moran and Mr. Bozeman have been counsel in a majority of the dramshop cases filed in this county in the past five years representing the companies and plaintiff attorneys. Bernard J. Moran is states attorney in Rock Island county. Virgil Bozeman is state representative of the 33rd district, and Robert Klockau is assistant states attorney in Rock Island county. Edna Sackey is secretary to Virgil Bozeman.

Rates filed and approved start at \$141 with the lower increased limits table similar to Lloyds. Liability deviates 20%.

Illinois Casualty plans to operate in 28 counties in down state Illinois and will operate through brokers.

To Close N. Y. Office

The New York office of Stock Company Assn. will be closed April 30 and its operations consolidated with those of the Washington office. The address for the combined operations is now 1422 K street, N.W., Washington 5.

Casualty Underwriters Assn. of New Jersey will hold its annual golf tournament and dinner at Canoe Brook country club, near Summit, N. J., June 9.

Carrol C. Hall, president of IEA Mutual, Springfield, Ill., has been nominated as Democratic candidate for county superintendent of schools there.

How to Have Fun Being Successful

TRENTON—Francis W. Potter, field supervisor of Aetna Casualty, sells agent audiences the insurance selling procedure with so much charm, wit and good sense that he always adds a star attraction to the program. His appearance here at the midyear of the New Jersey Assn. of Insurance Agents was no exception.

Using the comprehensive personal liability policy to launch his points, he assured agents that selling insurance is nothing but having a pleasant conversation and being paid for it. Of course, he said, the agent must be an eternal optimist, and to win the appreciation of customers and earn commissions, he does have to deliver his message, one way or another.

One way is to use a company folder. Companies don't get these up for fun or for nothing, he said. The one he used for demonstration cost \$1,500. It contains eight pictures of typical personal liability situations. He explained that you can't get a man for nothing to pose with a dog taking a bite out of his leg, or falling off a ladder.

30% Results for Sure

He recommended the agent use a folder of this kind for "by the way" presentations. Or, the agent can red pencil a personal message on the folder and mail it to a selected list. If he then phones the names on the list, experience has proved, he will sell 30 out of 100 this \$10,000 policy for \$10 premium. If he doesn't phone, he isn't apt to get one out of 100.

Or, he can have his girl pencil the message, sign his name, and do the phoning. One girl in Boston did this and sold 41. In Wichita an agent used 100 names, but decided to call in advance and ask the persons not to throw away the circular that he was going to mail, it was so important. He sold 51—and hasn't sent out the circular yet.

Another agent took two circulars, residence burglary at \$35 and the CPL \$10,000 for \$10, and penciled a message, "Dear Bill, Which do you want?" Results were excellent. One customer ordered both and thanked the agent for calling them to his attention.

This procedure is just as easy with more complicated coverage forms that develop large premiums, he said. Learn the hazards (with a questionnaire), prepare a proposal, and then get a firm decision on all points. If he doesn't want coverage, get him to initial "not wanted."

Creditors of Bay State Insurers Get Dividends

The Massachusetts supreme court has authorized Commissioner Harrington to pay a second dividend of 10% to creditors of Canton Mutual Liability, and a third dividend of 15% to Broad Street Mutual Casualty. These companies wrote insurance required by cab drivers and other difficult risks under Massachusetts compulsory automobile law in the closing days of one year and then blew up the next year.

This distribution makes a total of 40% to creditors of Canton Mutual. The 10% distribution is to be made out of remaining assets of \$37,506 with \$7,000 reserved for future expenses.

The Broad Street distribution is to be made out of assets of \$114,224, leaving a reserve of \$27,000.

Defer Mass. UCD Deadline

The deadline for the report of the legislative committee studying the proposal for Massachusetts unemployment disability benefits has been put over to May 1. The vote is understood to be 10 to 5 in favor of a state fund program. The majority report is expected to be filed at the last minute without the minority having an opportunity to review it before preparing its own report.

For Special Consideration

BITUMINOUS CASUALTY CORPORATION

ROCK ISLAND  ILLINOIS

SPECIALIZING IN WORKMEN'S COMPENSATION AND ALL LINES OF LIABILITY COVERAGE

CASUALTY NET PREMIUMS AND PAID LOSSES IN 1949 IN WISCONSIN

	Total Prems. and Losses	Auto. Liab. Prems. and Losses	Other Liab. Prems. and Losses	Work. Comp. Prems. and Losses	Fidel. Prems. and Losses	Surety Prems. and Losses	Plate Glass Prems. and Losses	Burg. Theft Prems. and Losses	P. D. & Coll. Prems. and Losses		Total Prems. and Losses	Auto. Liab. Prems. and Losses	Other Liab. Prems. and Losses	Work. Comp. Prems. and Losses	Fidel. Prems. and Losses	Surety Prems. and Losses	Plate Glass Prems. and Losses	Burg. Theft Prems. and Losses	P. D. & Coll. Prems. and Losses
Acc. & Cas.	97,594	28,718	10,743	31,124	1,683	432	2,255	4,124	17,061	Hdw. Mut. Cas.	6,094,326	1,704,168	209,783	1,901,234	35,421	35,935	1,437,774		
Aetna Cas.	1,482,827	473,816	184,614	395,272	38,569	81,117	18,177	61,447	221,818	Hartford Acc.	2,727,875	981,468	226,961	682,000	47,807	84,082	23,851	92,355	464,305
Allstate	1,393,378	797,618							464,509	Home Ind.	11,554	2,037	1,594	2,613	31	576	1,117	2,241	1,086
Am. Auto.	1,840,814	927,255	162,752	196,408	13,226	12,870	17,991	70,382	439,865	Home Mut. Cas.	1,630,670	858,769							620,518
Am. Cas.	577,660	409,360	25,852	65,677	1,255	—13	6,713	9,483	219,333	Ind. of N. A.	2,631,591	634,776	54,102	808,342	17,121	9,336	523,557		
Am. Empl.	166,313	76,994	5,072	20,862	375	8,350	2,010	3,814	18,116	Integrity M. C.	188,918	42,432	30,366	58,300	5,637	4,953	903	8,155	26,390
Am. F&C, Va.	425,218	138,418	51,841	89,367	5,132	9,255	12,545	14,245	73,731	In. Mut. Liab.	129,501	54,489			65	3,000	723	1,469	53,128
Am. Guar.	136,214	50,857	10,301	36,641	402		3,828	2,454	30,237	Liberty Mut.	25,071	8,494							12,345
Am. Indem.	255,225	175,923	1,523						77,779	London Guar.	572,305	216,648	18,295	133,319				2,173	165,215
Am. Motorists.	74,863	42,846		497	2,158		42	2,659	161	Lomb. Mu. Cas.	190,565	59,717	3,464	40,387				359	76,563
Am. Mut. Liab.	18,131	6,750		71	2,475	15	188	7,168	2,600	Mfrs. & Merch.	792,929	30,885	13,858	557,368	13,451			470	54,943
Am. Reins.	49,975	32,361	455				1,935	267	13,440	Maryland Cas.	451,530	169,768	15,907	50,341				712	33,272
Assoc. Ind.	304,586	23,755	25,020	197,913	10,407	3,793	219	11,053	26,884	Mass. Bond.	239,606	101,801	34,285	27,007	18,085	—2,545	8,904	—955	40,016
Badger State.	73,015	8,957	2,226	53,756	576	1,473	62	689	3,554	Mst. Plm. M. C.	1,381,512	349,473	55,366	506,881	24,284	8,850	5,362	6,644	275,870
Bancorp.	917,381	100,394	6,831	365,914	—359		232	113,529	3,916	Med. Prof.	474,194	95,729	7,878	199,128	1,343	3,436	1,679	2,617	107,826
Bankers Ind.	76,373	9,611	2,265	5,150	10,413	42,500	35	1,945	3,916	Merch. Ind.	238,238	16,262	11,650	2,943					169,859
Bitum. Cas.	705			—2,084	2,609	13	66			Mich. Mu. Liab.	75,457	3,082	1,521	10,265					55,882
Cas. Recip. Ex.	342,425	92,604	33,707	34,679	4,701	35,128	5,031	13,052	45,959	Milwaukee Auto.	826,675	224,188	80,600	185,071	21,803	42,492	12,334	38,981	132,154
Car. & Gen.	125,624	50,021	4,610	13,439	6,211	—333	2,306	1,698	29,758	Minn. Fms. M.C.	444,906	31,693	22,754	134,595	9,109	—59	4,566	10,667	65,052
Cent. Sur.	199,350		4,018	191,070			158	3,923	694	Mut. An. Wis.	367,193	89,117	58,922	108,944	8,748	8,861	9,647	13,996	47,402
Century Ind.	103,659		50	102,915						Mut. Serv. Cas.	145,001	28,925	15,960	61,567	10,944	—10,108	4,380	2,178	23,645
Chsmkrs. M. C.	391,930	192,148					160,406			Natl. Cas.	78,229		78,229						
Chl. Ice Prod.	96,924	47,936					39,851			Natl. Frms. Un.	27,590		27,590						
Columbia Cas.	240,743	121,565	15,958	38,805	8		3,510	4,107	56,265	Nat. Grge. M. L.	46,161		46,161						
Comm. Cas.	432,036	33	27,514	397,231			7,258			Natl. Sur.	142,140	80,810	16,159		1,487	2,322	3,870	37,300	
Conn. Ind.	229,088		5,835	222,242			1,011			New Amst. Cas.	20,209	7,242	1,269					546	10,760
Conf. Cas.	186,509	97,310	11,437	19,955	291	147	4,123	6,821	46,265	N. Y. Cas.	331,803	298,263	34,216		2,850	2,050	13,424	10,933	134,102
Conf. Sur.	61,719	30,618	1,718	9,476	561		2,408	561	16,938	N. W. Nat. Cas.	286,093	187,409	3,786	4			3,661	3,396	70,008
Century Ind.	103,310	39,037	9,700	20,688	289	6,248	1,027	2,768	27,978	Norwich Un. In.	45,432	1,274	944	41,814					1,256
Chsmkrs. M. C.	46,710	25,249	1,055	5,398		681		11,325	11,325	O. Frms. Ind.	16,193								1,279
Chsmkrs. M. C.	233,227	84,012	28,196	47,938	3,704	9,198	7,494	9,734	41,232	Peerless Cas.	2,644,371	1,439,801	27,749					13,022	887,818
Chsmkrs. M. C.	69,900	24,285	2,163	21,643	295	383	2,176	1,114	12,787	Phoenix Ind.	908,001	489,655	1,332					1,514	358,312
Chl. Ice Prod.	290,388	162,815	771				126,070		47,931	Prof. Acc.	70,579	31,831	187					49	35,430
Columbia Cas.	125,874	77,932		4,518			87			Royal Ind.	19,269	7,226							9,599
Conn. Ind.	42,514	5,543	2,319	9,376	2,728	762	621	1,664	2,631	Rural Mut. Cas.	1,074,765	543,893	533,742	289,325	27,130	77,718			410,259
Conf. Cas.	18,319	11,163	118	2,857	1,405	—85	235	19	1,681	St. Paul-Merc.	533,742	289,325	7,237	23,132					214,897
Conf. Sur.	174,382	77,100	4,924				4,912	1,941	43,806	Seaboard Sur.	446,591	227,353	12,401	48,796	1,357	783	1,510	3,810	15,548
Century Ind.	49,132	27,784	3,542				1,398	2,850	18,528	Sec. Mut. Cas.	203,245	7,695	2,108	17,787	297	3,306	488	349	13,785
Chsmkrs. M. C.	25,664	17,612	394				1,398	2,850	18,528	Shelby M. C.	405	157							209
Chsmkrs. M. C.	3,446,165	589,465	169,436	510,291	23,070	88,208	19,886	76,477	329,459	Standard Acc.	31,071	17,158	899						13,014
Chsmkrs. M. C.	1,357,638	276,090	41,464	216,667	33,601	20,690	10,252	18,535	175,590	State Farm Mut.	20,909	14,251							6,658
Chl. Ice Prod.	6,709	923	930	3,284	19	402	—95	98	932	Un. Ind.	285,943	284	653	641	104,380	52,866	8,896	118,031	183
Columbia Cas.	20,264	2,747	99	16,321			1,520	299	5,816	Un. Nat. Cas.	69,653		375	750	46,587	—268	4,421	17,597	191
Comm. Cas.	1,101	20		980				101		N. Y. Cas.	524,149	148,519	70,851	133,850	11,780	22,764	9,028	25,065	76,110
Conn. Ind.	935,754	276,689	124,956	253,694	6,228	9,548	10,908	28,281	154,699	N. W. Nat. Cas.	209,046	68,812	14,118	65,472	7,998	2,500	3,066	8,343	35,935
Conf. Cas.	412,829	176,229	31,118	120,238	—1,002		3,255	5,050	69,531	Norwich Un. In.	248,467	92,787	15,009	37,180	4,817	4,364	2,468	4,092	47,601
Conf. Sur.	25,664	17,612	394				1,263	727	45,897	O. Frms. Ind.	161,933	85,586	2,777	18,456	58	—10	1,066	981	32,028
Century Ind.	3,446,165	589,465	169,436	510,291	23,070	88,208	19,886	76,477	329,459	N. W. Nat. Cas.	1,399,524	828,190	27,928				8,113	9,064	468,460
Chsmkrs. M. C.	1,357,638	276,090	41,464	216,667	33,601	20,690	10,252	18,535	175,590	Norwich Un. In.	508,583	316,631	1,899				1,674	2,449	172,059
Chl. Ice Prod.	6,709	923	930	3,284	19	402	—95	98	932	Ocean Acc.	15,285	9,020	446				203	174	3,963
Columbia Cas.	20,264	2,747	99	16,321			1,520	299	5,816	Ohio Cas.	6,958	2,936					56		3,619
Comm. Cas.	1,101	20		980				101		Ohio Cas.	111,844	18,725	6,463	18,473	3,523	573	2,090	2,771	8,826
Conn. Ind.	935,754	276,689	124,956	253,694	6,228	9,548	10,908	28,281	154,699	O. Frms. Ind.	27,656	1,579	789	11,876	1,189	—1	1,297	1,291	3,855
Conf. Cas.	412,829	176,229	31,118	120,238	—1,002		3,255	5,050	69,531	Peerless Cas.	1,317,984	532,797	55,107	75,543	26,844	28,480	11,182	26,706	438,384
Conf. Sur.	25,664	17,612	394				1,263	727	45,897	Phoenix Ind.	365,897	151,874	9,702	27,263	172	284	4,605	7,946	149,842
Century Ind.	3,446,165	589,465	169,436	510,291	23,070	88,208	19,886	76,477	329,459	Prof. Acc.	33,610	22,733	1,797				969	476	2,733
Chsmkrs. M. C.	1,357,638	276,090	41,464	216,667	33,601	20,690	10,252	18,535	175,590	Royal Ind.	12,742	7,393	47				119	17	5,166
Chl. Ice Prod.	6,709	923	930	3,284	19	402	—95	98	932	Rural Mut. Cas.	242,107	8,388	1,652				97,056	—21	125,924
Columbia Cas.	20,264	2,747	99	16,321			1,520	299	5,816	Sec. Mut. Cas.	43,895		8,466				8,466		33,645
Comm. Cas.	1,101	20		980				101		Shelby M. C.	162,825	54,630	18,822	34,272	38	1,396	2,096	6,834	27,736
Conn. Ind.	935,754	276,689	124,956	253,694	6,228	9,548	10,908	28,281	154,699	Standard Acc.	94,917	49,535	3,651	18,542			437	3,429	16,659
Conf. Cas.	412,829	176,229	31,118	120,238	—1,002		3,255	5,050	69,531	State Farm Mut.									

	Total Prelim. and Losses	Auto. Liab. Prelim. and Losses	Other Liab. Prelim. and Losses	Work. Comp. Prelim. and Losses	Fidel. Prelim. and Losses	Surety Prelim. and Losses	Plate Prelim. and Losses	Burg. Theft Prelim. and Losses	P. D. & Coll. Prelim. and Losses	Net Prelim.	Losses Paid		Net Prelim.	Losses Paid
Threshm's M. C.	489,282	21,844	460,319	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854
Travelers	1,260,897	51,461	43,924	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854
Trav. Ind.	2,487,375	873,196	183,442	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854
Trinity Univ.	8,773	704	8	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854
Un. Natl. Ind.	114,444	57,017	8,163	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854
U. S. Cas.	60,474	24,938	4,200	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854
U. S. F. & G.	1,702,021	473,626	166,295	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854
U. S. Guar.	153,884	70,639	4,474	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854
Utica Mut.	1,113	767	13	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854
Western Cas.	719,643	401,807	31,891	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854
Western Sur.	67,719	12,308	555	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854
Wis. M. Pl. GL.	28,143	12,308	555	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854
Yorkshire	115,340	49,030	12,982	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854
Zurich	436,417	108,187	12,869	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854
	261,910	63,345	21,284	245,750	251,665	23,566	34,389	18,393	99,471	437,336	206,727	889	25,491	2,854

Wisconsin Totals

	1949	1948
Total Prelim.	\$111,108,061*	\$110,355,209
Total Losses	52,989,178*	43,349,849
Auto B.I. Prelim.	26,351,808	24,377,270
Auto B.I. Losses	11,040,921	9,995,776
Other Liab. Prelim.	4,116,247	4,131,308
Other Liab. Losses	1,087,391	889,654
W.C. Prelim.	21,586,096	22,625,631
W.C. Losses	9,883,478	9,595,486
Fidelity Prelim.	1,106,592	1,447,410
Fidelity Losses	342,302	133,406
Surety Prelim.	1,513,743	1,342,465
Surety Losses	86,741	87,163
Glass Prelim.	516,907	395,471
Glass Losses	222,965	206,003
Burglary Prelim.	1,618,909	1,459,118
Burglary Losses	340,148	342,662
P.D.-Coll. Prelim.	17,545,040	16,266,590
P.D.-Coll. Losses	7,471,480	6,785,682

*Includes classes shown in accompanying tables and fire, theft, etc., of full cover insurances as well as fire and allied business of multiple line companies.

Other Lines

	Net Prelim.	Losses Paid
Accident & Casualty	1,454	111
Aetna Casualty	636	600
Aetna Life	2,394,202	1,923,013
Amer. Auto.	65	65
Amer. Casualty	42,756	29,917
Amer. Employers	7,839	1,442
Amer. Motorists	4,781	1,722
Amer. Mut. Liab.	343,867	327,159
American Reins.	1,975	161
Amer. Surety	—33	—
Assoc. Indemnity	181	—
Bankers Indemnity	525	1,509
Bankers Life	88,254	72,802
Ben. Assn. Ry. Empl.	926,001	681,050
B.M.A.	733,213	465,713
Car & General	160	—
Central Surety	142	—
Century Indemnity	1,619	5,054
Columbia Casualty	1,190	8

	Net Prelim.	Losses Paid
Commercial Casualty	87,503	41,757
Connecticut General	186,940	152,534
Continental Assur.	318,391	251,813
Continental Casualty	1,639,873	564,639
Eagle Indemnity	158	64
Empl. Mutual Ben.	20,527	8,232
Employers Liability	11,920	5,918
Employers Mut. Cas.	1	—
Employers Mut. Liab.	497,481	442,964
Employers Reins.	20,525	26,468
Equitable Society	1,529,589	979,419
Federal Casualty	370,778	182,732
Federal Life	39,233	14,709
Fidelity & Casualty	131,124	39,799
Fireman's Fund	4,636	126
First National Cas.	241,301	95,599
Franklin Life	5,436	1,233
General Accident	13,295	3,119
General Casualty, Wis.	10,109	3,933
General Reins.	11,102	24,068
Glens Falls Ind.	6,672	3,764
Globe Indemnity	18,025	4,522
Great American	2,250	2,366
Hardware Mut. Cas.	770,011	584,357
Hartford Accident	125,047	83,835
Home Indemnity	259	5
Illinois Mutual Cas.	647,469	432,441
Indemnity of N.A.	11,588	4,917
Inter-State, Ia.	34,384	8,249
Inter-Ocean	19,313	6,034
John Hancock	578,629	424,887
Liberty Mutual	204,498	117,696
Lincoln Natl. Life	141,844	110,964
London Guarantee	4,071	1,232
London & Lancashire	14,313	13,006
Loyal Prot. Life	130,792	32,613
Lumbermens Mut. Cas.	14,772	3,926
Maryland Casualty	25,222	6,784
Mass. Bonding	21,554	7,510
Mass. Indemnity	15,563	3,247
Mass. Mutual Life	15,029	9,832
Mass. Prot.	403,688	184,938
Merchants Ind.	—	—
Metropolitan Cas.	36,636	17,829
Metropolitan Life	1,874,988	1,115,359
Michigan Mut. Liab.	2	—
Monarch Life	7,063	4,160
Mut. Ben. H. & A.	1,499,532	658,652
Mutual Indemnity	50,971	11,799
Mutual Service Cas.	222	120
Mut. Service Life	7,087	2,361
National Casualty	334,276	157,390

R. I. Midyear Meet
Held at Providence

PROVIDENCE—About 250 attended the midyear convention here of Rhode Island Assn. of Insurance Agents, with 350 at the dinner. At the business session, Robert S. Preston, Providence, reported as president; George Hughes as secretary, and Carleton I. Fisher, Providence, as state national director.

Two panels, on surety bonds and on valuation, featured the afternoon session. Mr. Fisher was moderator of the session on bonds, and a number of questions were asked by agents of the experts, H. W. Webster, manager bonding department Maryland Casualty, Charles E. Lowman, assistant claims attorney of Fidelity & Deposit, and Thomas MacMeekin, Jr., manager bond department Aetna Casualty, all of Boston.

A great many fidelity losses today are underinsured, agents and underwriters agreed. One question asked was what bond amount the agent could properly recommend. The suggestion was made the agent survey the risk to determine the largest possible single loss sustainable at any one time, by adding amounts of securities, cash and property under the individual's control, and then multiply that amount by four.

Depreciation Question Raised

In the discussion on valuation, of which Theodore J. Mannix, Providence, was moderator, the question was raised as to how to depreciate buildings 100 to 150 years old. If they are habitable and used for the purposes for which they were designed, it is unlikely they can be depreciated more than one-third, was the reply. Where the woodwork and other decorative items are of fine workmanship and material, age would add to insurable values. F. E. Bowerman, Providence contractor, R. R. Reynolds, machinery manufacturer, and A. E. La Chapelle, independent adjuster, Providence, were the experts on this panel. Don S. Paige, Providence, vice-president of the association and chairman of the program committee, was master of ceremonies at the dinner.

Guarantee to Put Up
Own Building at Oakland

Guarantee of Los Angeles has acquired property at the junction of Telegraph avenue and Claremont at Oakland for the erection of a building to house its northern headquarters.

The building will have 9,000 feet, and will include parking facilities for 50 cars. The building will be of modern architecture; it will contain an open patio and fine recreational and dining facilities for employees.

Guarantee will move its northern California headquarters from San Francisco to Oakland.

"Aetna-izer" Is Cited

A first prize for general excellence was awarded to the "Aetna-izer," national monthly field publication of Aetna Casualty at a recent seminar sponsored by Connecticut Assn. of Industrial Editors at University of Connecticut. "Aetna-izer," has a circulation of nearly 17,000. Lloyd L. Temple is editor.

Group Health Mutual of St. Paul has been licensed to write hospitalization and medical insurance in Wisconsin.

The

CELINA MUTUAL

CASUALTY COMPANY

Celina, Ohio

Strictly an Agency Company

FOR **ACTION**

THAT BRINGS **SATISFACTION**

A Progressive Company
for Aggressive Agents

COMPLETE AUTOMOBILE
COVERAGE

GARAGE LIABILITY

AFFILIATED
WITH
The
NATIONAL MUTUAL
INSURANCE COMPANY
Celina, Ohio

Fire; Inland Marine
Allied Lines

Selling Tools for any
Selling Task

GENERAL LIABILITY
GLASS
BURGLARY AND ROBBERY

Travelers Health Case Is Reargued

(CONTINUED FROM PAGE 23)

Health is not being "hurt" by Virginia. But Mr. Hubbard replied: "We are hurt by a threat. Our right has been violated."

"You have the right of appeal over their order," suggested Justice Reed.

Mr. Hubbard said Travelers Health could be brought into Virginia by extradition proceedings.

Justice Minton remarked that in extradition "you will have your day in court."

Mr. Hubbard detailed the penalties under the Virginia law and said: "If you are threatened with arrest because of your activity, your right as a citizen is interfered with."

During Mr. Hubbard's argument the case was compared with a sale by Sears, Roebuck.

Right to Change Mind

Justice Vinson brought out Travelers Health's new members have opportunity to "change their minds" about joining within a 10 day period. They are insured during that period, Mr. Hubbard said. Also during that period they have voting power.

Mr. Hubbard concluded with a statement that under the Virginia proceeding that state's sovereignty would be expanded into Nebraska and that if one state can do that, all can, "and you will have state anarchy instead of state sovereignty."

Rogers had even more interruptions than Mr. Hubbard. Justice Frankfurter wanted to know whether the facts in Travelers Health case are identical with those in a Minnesota-Montana case. Mr. Rogers indicated they were substantially so.

Sale of Securities

He argued Virginia has the right to regulate the sale of securities under the Blue Sky law and insurance is classified as a security under this law. Justice Frankfurter remarked that the states always regulate for the public good. He brought out from Mr. Rogers that Virginia conceivably might prohibit shipment of poisons into its borders. Justice Frankfurter raised the question whether insurance should be considered in the same class.

"What did you say they mustn't do?" asked Justice Jackson.

The mailing of letters into Virginia is involved, Mr. Rogers said. Justice Jackson brought out Travelers Health might advertise in the newspapers and by radio in the state, as Mr. Rogers said. The latter admitted the Virginia regulation would prohibit mail order business.

"Insurance is not poison," suggested Justice Frankfurter, and wanted to know how Virginia separates the "sheep from the goats."

"You have more control over Nebraska people in Virginia than you have over Virginians," remarked Justice Minton.

"Have they done any more if they do this by letter instead of by radio?" asked Justice Jackson, referring to company advertising.

Letter Is More Direct

"A little more," Mr. Rogers answered. "It is more direct."

Justice Clark "agreed" that Travelers Health is not "doing business" in Virginia in the meaning of certain decisions.

Justice Frankfurter suggested the federal government could deal with such matters as involved in the Virginia case, but asked "could a state prohibit" such operations? Mr. Rogers replied state regulation must be "reasonable."

"The state legislature said nobody should do this," remarked Justice Jackson, "and all you did was say 'that means you'!" He indicated the court would "almost have to decide" the Travelers Health case before it could consider with relation to it, other cases cited.

When Mr. Rogers said Virginia

"wanted to do what we could," Justice Frankfurter suggested it was like some federal government agency going on record in favor of something it might approve, by way of recommendation, if not law.

Justices Black and Reed, as well as other members of the court referred to above, asked questions. Mr. Rogers admitted he could not answer Black's.

Widespread interest in the Travelers Health case was made manifest by presence in the court room during the arguments, of Superintendent Dineen, New York; William Thomas, insurance attorney on the federal trade commission staff; Harry Perlet, assistant manager, insurance department, U. S. Chamber of Commerce; also representatives of SEC and some other government agencies.

Bound by Agent's Acts

The Nebraska supreme court has held in Mutual Benefit H. & A. vs. Milder that an insurer cannot rely on the incorrectness of the answers given on an A. & H. application, where the in-

sured's agent failed to put down the correct answers which the applicant gave him. The court also ruled on the insured's degree of disability for the period during which he was sometimes entirely disabled and sometimes partially disabled.

Avert Attempt to Bomb Airplane in Order to Cash in on Trip Accident Cover

A plot by a debt ridden man to blow up an airplane on which his wife and two children were riding in order that he might collect the \$25,000 in trip accident insurance on their deaths was averted at Los Angeles when the bomb which had been prepared in a suitcase began to smoke before the plan left the airport.

Harry Grant, 32, a laboratory technician, planned to collect the \$25,000 insurance in order to pay off his debts, which amounted to between \$8,000 and \$9,000. When Grant and his family reached the airport, Grant purchased insurance from an Associated Aviation vending machine, insuring the three members of his family for a total of only \$25,000, although a \$75,000 limit on the three is permissible.

This recalls the case of Albert Guay, a Canadian watchmaker, who sometime ago blew up a Canadian airplane with his wife aboard in order to collect \$10,000 of insurance written in a trip accident policy of Continental Casualty. Continental did not pay the loss. It would appear that Grant got his idea of blowing up an airplane from Guay's crime.

Loss men point out that when an airplane is destroyed in this manner the evidence is easily detected, although the guilty party may not be. However, the possibility of fraud is obvious and the claims stand the possibility of being disputed until some conclusion is reached.

Dunn Addresses Realtors

LOS ANGELES—Milton A. Dunn, special agent of Gulf, addressed Los Angeles Realty Board, on the work of the rating bureau, the standard fire form and the basic reasons for the state regulation of insurance.

Mrs. Willa P. Drake has been elected president of Oklahoma City Insurance Women's Club. Mrs. William P. Morris and Miss Alberta Moore are vice-presidents; Mrs. Jessie Voss and Miss Betty Johns, secretaries. Mrs. Dave Daugherty, treasurer. Mrs. Joel A. Walker was named delegate to the national convention at Boston. A memorial service was held for Miss Amye Butler, charter members and past president of the club.

HAWKEYE · SECURITY · INDUSTRIAL · THREE OF THE FINEST

We Make Sure Agents Get All 3

Hawkeye-Security-Industrial helps every agent to step-up his production and that's what every agent is interested in.

By providing all-around service the year 'round HAWKEYE-SECURITY-INDUSTRIAL helps agents build sales.

Lack of red tape . . . speedy, efficient settlement of claims . . . constant help from field representatives combine to give HAWKEYE-SECURITY-INDUSTRIAL'S agents service that is outstanding.



HAWKEYE CASUALTY CO.

SECURITY FIRE INS. CO.

INDUSTRIAL INS. CO.

Des Moines, Iowa

HAWKEYE · SECURITY · INDUSTRIAL · THREE OF THE FINEST

Conklin Tells Inland Marine Line Woes

(CONTINUED FROM PAGE 7)

cap. One of the women helped mix the drinks and apparently slipped him a "Mickey Finn." After the drink, he remembered nothing until he awoke in the morning and the women and certain of his property were missing. In disposing of the legal point in this case, the court said: "The difficulty with the plaintiff's position is that he seeks to establish a fact based on an inference, instead of seeking to draw an inference from an established fact."

Where the policy insures against loss by theft, the insured has the burden of proof, but in transportation cases, the question arises where theft is one of the perils named in the insuring clause, in a subsequent paragraph there is an exclusion for losses caused by infidelity of employees. The net result here is that where the insuring clause extends blanket coverage by theft, and by a later exclusion, a slice of such theft coverage is attempted to be removed, the insured will still have the burden of proof of theft, but the insurer has the burden to prove that the theft was committed by an employee. A case in point is Chase Rand Corp. vs. Central of Baltimore on

a claim filed under a jewelers block policy. Central raised the defense that the loss had been occasioned through theft or an act of dishonesty on the part of an employee or agent of the insured. The court held that Central had the burden of proof of infidelity and while the court was strongly suspicious of the statements of the agents or employees, it was equally unable to conclude that such agent had made away with the Chase Rand property and found that Central had not fulfilled its burden in proving these exceptions.

Another marine question which has been before several of the higher courts is the meaning of collision. The owners' transportation and carriers' legal liability policy form is not mandatory and there is a wide divergence of language employed. Where the coverage extends to collision without further definition of the term, the only question for determination is whether there has been a collision which proximately caused the loss. In many transportation policies, the coverage is defined to mean loss occasioned by "collision of a transporting vehicle with some other vehicle or ob-

ject." A question arises where the load projects above or over the sides of the vehicle, and the load, not the transporting vehicle, collides with some object.

Mr. Conklin added that although it must be recognized that despite a definite trend toward holding that collision of the load constitutes a collision of the transporting vehicle, each case must be considered on its own merits. The points to be considered are the type and nature of property involved, whether the policy is direct insurance of the property as distinguished from legal liability cover, and whether the policy terms may fairly be held to be ambiguous. Some underwriters, he observed, are eliminating the problem by excluding collision of the load as an insured peril.

Great American Western Dept. Move Scheduled April 28

One of the largest moving operations conducted by an insurance organization in Chicago will begin on April 28 when the western department of Great American will move from 310 South Michigan avenue to new quarters at 309 West Jackson boulevard. Simultaneously Great American Indemnity will move into the same building from the Insurance Exchange building.

The western department of Great American together with the indemnity office will occupy six floors at the new location. The farm and hail departments have been at 309 West Jackson for a year and will remain in the same location.

The executive offices of the fire company will occupy completely the eleventh floor and of the indemnity company the sixth floor. Also on the sixth floor will be the automobile department combining fire and casualty operations and the casualty underwriting and inland marine departments. The farm and hail department will continue to fill part of the seventh floor and the Great American mailing and supply rooms will cover part of the eighth floor. The entire ninth floor will be taken up by the accounting and cashier departments. The whole tenth floor will be occupied by the fire underwriting and the loss departments and by the brokerage and reporting cover sections.

Also on the tenth floor will be a ladies lounge and a lunchroom, which are new features for the western department. The lunchroom will seat 140 people and is intended to accommodate those who bring their lunches. Coffee, milk and soft drinks will be sold there.

The new quarters offer the departments more space than they have had. The new offices will be fluorescent lighted throughout and soundproofed in the office machines section.

Maryland Casualty Issues Direct Mail Book for Agents

Maryland Casualty has issued a comprehensive guide to direct mail advertising, titled "Let the Mailman Be Your Salesman." Opening with a short outline of the value of the direct mail sales letter, the eight-page booklet continues with a detailed discussion of the five major steps in a properly organized direct mail campaign; the mailing list, attractive appearance, writing the letter, mailing the letters and continuity and follow-up.

The guide has been sent to all agents of the company.

H. Ernest Feer, a manager at the head office in Switzerland of Accident & Casualty, will arrive in New York at the end of April to spend a few weeks in this country. He will make a study of present insurance conditions here and visit insurance friends in New York, the New England cities and Philadelphia. For many years Mr. Feer was associated with Robert van Iderstine are located.

and subsequently became a vice-president in the Corroon & Reynolds organization. He gave up this position to return to his native country, Switzerland.

Signs Little Clayton Act

Gov. Dewey of New York has signed little Clayton act giving the insurance superintendent authority to direct companies to rid themselves of stock or directors if this violates the law on interlocking directorates, stock ownership, and common management.

Always an Agency Company

SAFE BURGLARY?



Check with the

SHELBY MUTUAL

Protecting their clients against theft losses presents no problem to "Shelby" agents. When questions on coverage or premium computation look complicated they simply ask for any help they need in properly insuring any specific risk.

The Shelby Mutual Casualty Co.
of Shelby, Ohio

70th Anniversary Year

AUTOMOBILE INSURANCE

BANK - CREDIT - DISCOUNT
LOAN - FINANCE
ACCOUNTS

Inquiries — Submissions
invited from Agents

INDIANA - MICHIGAN - OHIO

*Automobile
Financed Car Department

DEARBORN
NATIONAL INSURANCE
COMPANIES

Ten Witherell Street
Detroit 26, Michigan



Ever See These Faces Before?

They've been around . . . all over the country. Millions of persons saw them. They saw them in TIME and in the SATURDAY EVENING POST . . . in one of our 1930 national advertisements. Certainly, out of all those millions who see our national ad-

vertising there are a substantial number who influence the purchase of Fidelity and Surety Bonds. We tell these people, month after month, that for bonds, the man to see is The Man with The Plan, The Employers' Group Agent or Broker.

The Employers' Group Insurance Companies

110 MILK STREET, BOSTON 7, MASS.
THE EMPLOYERS' LIABILITY ASSURANCE CORP., LTD.
AMERICAN EMPLOYERS' INSURANCE CO. THE EMPLOYERS' FIRE INSURANCE CO.

New Jersey Agents Hold Untroubled Mid-year Session

(CONTINUED FROM PAGE 2)

public relations. Don't expect miracles—these things take time—but expect ultimate lasting benefit.

Membership is a problem, he said. As of April 1, membership was 1,151, a drop of 40 since last September; 22 new members were added, but 63 dropped. He deplored the time the executive secretary has to spend in collecting dues.

Some progress has been made in the fight for higher standards in granting agents' licenses. The insurance department was sympathetic with agents' plea for more rigid requirements, but felt powerless to do more than interpret the present qualification law in accordance with the letter of the law. There are amendments under consideration which will be in the public interest and agents hope the department will support the legislature in proper legislation. In the meantime, L. J. Ackerman (University of Connecticut) has assisted the department in the preparation of examinations, and the personnel of the license division has been augmented.

The bill (A117) to make clear that local agents are not subject to the unemployment compensation tax, though the state supreme court held it did apply in the case of an industrial life agent, has been passed by the legislature, John C. Conklin, Hackensack, reported. Mr. Conklin gave an able review of other legislative matters. The legislature has now recessed till May 10.

Educational Work Successful

Russell E. Stevens, Newark, chairman of the educational committee, said there was a greater demand for the courses being sponsored than could be handled, and that the fire field men and casualty and surety organizations had cooperated splendidly in the work. Sam Worthington of Camden reported on membership.

For the first time in many years, C. H. Frankenbach of Westfield, past president and state national director, was unable to attend. He was in Kansas City giving a talk on hospital coverages before the Midwest Hospital Assn. convention.

Francis W. Potter, field supervisor of Aetna Casualty, charmed and educated his audience with his talk on sales fundamentals, which is reported elsewhere. Mr. Ackerman welcomed the agents in a brief talk.

N. J. NOTES

William W. Hanna, who is in business with his father at Westfield, received the gift contributed by James J. Walsh, National Adjusters, Newark, a silver silent butler, at the midyear meeting of New Jersey Assn. of Insurance Agents at Trenton.

Douglas M. Roy of Selected Risk companies, Branchville, took the brief case donated by Louis Vilella, branch manager in Newark of Yorkshire group.

Attendance prizes went to George A. Deininger, Glens Falls, a clock (donated by National Adjusters); John Bryan, Red Bank, silent butler (National Adjusters); and Irving Levine, Passaic, pencil lighter (Fred Flechtner, state agent Northern, N. Y.).

American held open house the evening before. Sam Reiter, state agent; Frank Cornish and J. E. Ward, assistant state managers; Bankers Indemnity, and American specials Edward Carroll, Steven Parker, Jack Palmer and Edward Neary were on hand.

Forrest H. Witmeyer, president, and Donald J. Littlefield, agency superintendent of Excelsior, attended, preliminary to an Excelsior planning committee session at Princeton Inn with A. C. Linn, Clifton, N. J., agents past president, and a director of Excelsior; John Greenwood, Warren, O., board chairman; Carl Crawford, Chester, Pa., chairman planning group; and H. L. Godshall, Atlantic City.

Chris A. Gough, acting insurance commissioner, and Sidney K. Howell, deputy, were guests.

Leon A. Watson, manager, New Jersey Fire Insurance Rating Organization, attended.

Miss Catherine Hall, president N. J. Assn. of Insurance Women, who is with Pearsall & Frankenbach, Westfield, represented that group on the program.

Add White, Seabrook, Sherwood to G.A. Card

Three added starters have been put in the speaking lineup for the annual meeting of American Assn. of Managing General Agents at Edgewater Park, Miss., May 8-10. They are: Jesse L. White, Mississippi commissioner; E. M. Seabrook, assistant sales department manager of Commercial Union, and Donald B. Sherwood, general adjuster of the National Board.

Reports on Ark. Bureau

LITTLE ROCK — At the annual meeting of the executive committee of Arkansas Inspection & Rating Bureau here Walter Plangman, bureau director, described the bureau's activities last year. Thirty-three cities were inspected and graded and 21 other cities received special engineering services. The bureau now is regularly inspecting more than 600 industrial plants three times per year, and once each year is making reports and diagrams on more than 900 cotton gins and nearly 100 rice driers. It now has 141 member companies and 53 subscriber companies, an increase of nine over last year.

Charles M. Close, vice-president Great

American, and chairman of the bureau committee, presided at the meeting.

Security Plans Addition

New Haven board of zoning appeals heard an appeal from Security for waiver of municipal regulations that limit the height of structures in the Whitney avenue section to 75 feet.

If the waiver is granted, the company will construct a seven-story addition to its present building, 125 feet high, topped by a penthouse. The estimated cost of the building, which would add 100,000 square feet of usable floor space, is estimated at more than \$2 million.

Ill. Rally May 22-23

Illinois Bureau of Casualty Insurers is holding its annual meeting at Springfield, May 22, and the next day there will be an outing and dinner at Oak Crest Country Club at which members of the insurance department will be guests. This is a traditional lun day.

Eliminate Term "Entertaining"

One recommendation of the uniform accounting subcommittee, headed by James J. Higgins of the New York department, to the recent meeting of the

commissioners' blank committee in New York is that the title of the operating expense classification, "traveling and entertaining," be changed to "travel and travel items." Those in the business thought that the term "entertaining" might be misinterpreted.

Sullivan Seeks Reelection

Frank Sullivan, Kansas commissioner since 1946, has announced his candidacy for the Republican nomination for reelection. He is now chairman of the executive committee of N.A.I.C.

Ala. Plans Held Up

Although an Alabama court has held that the bureau of rates of that state does not have authority to take the action that it did in outlawing two proposed premium installment plans, Alabama Inspection & Rating Bureau has notified companies and agents that pending further developments, the bureau of rates has asked that the rating bureau not accept any daily reports bearing the premium payment plan endorsement.

Beneficial Fire & Casualty has applied for admission to Oregon, New Mexico and Montana to write all lines except life.

New "Catastrophic" Hospital Extras Coverage

(Issued with Preparedness Hospital-Surgical Policy)

Pays 100% of the FIRST \$100.00

plus 75% of the NEXT \$1000.00!

Here's how it works:

If the bill for EXTRAS is	Provident PAYS
\$100.00 (or less)	ALL
200.00	\$175.00
300.00	250.00
800.00	625.00
1100.00	850.00

Instead of the usual allowance of less than \$100, Provident Producers can now offer their prospects real protection against "catastrophic bills" for special hospital services (i.e., other than room and board). Written on individuals and family groups.

INVESTIGATE TODAY!

BROKERAGE BUSINESS INVITED

PROVIDENT LIFE & ACCIDENT INSURANCE COMPANY

CHATTANOOGA



protecting provident people since 1887

TEXT IS GIVEN OF TEXAS CITY DECISION

(CONTINUED FROM PAGE 1)

age in such disaster. The effort or efforts to extinguish the fire did not in any way cause the explosion. After the explosion, or about the time of the explosion, the fire spread from the Grandcamp to the surrounding property in Texas City and in the harbor, and some of the deaths and injuries to persons and much of the injury to property in such disaster was caused by such fire or fires.

(d) At or about the time such fertilizer was being loaded onto the Grandcamp, it was also being loaded onto the Steamship High Flyer, likewise tied up at the dock at Texas City, for shipment overseas, and the fire on the Grandcamp directly or indirectly spread from the Grandcamp to the Steamship High Flyer and the fertilizer on the High Flyer became overheated or took fire, and the heat, gases, vapors, etc. from such burning and/or heated fertilizer proximately caused an explosion or explosions on the High Flyer, resulting in the death or injury to some of the persons killed or injured and some of the damage to property in such disaster. The fire spread from the High Flyer to the surrounding property in Texas City and in the harbor, and some of the deaths and injuries to persons and injury to property in such disaster was caused by such fire or fires.

(e) All of the deaths of persons, injuries to persons, and injury to property which occurred in such disaster were directly traceable to and proximately caused by the presence of the fertilizer, and the burning and the explosion of the fertilizer on the Grandcamp and the High Flyer. All of said fertilizer stored on the Grandcamp and

the High Flyer was manufactured or caused to be manufactured by defendant, placed in sacks by defendant, shipped by defendant to Texas City, and caused or permitted by defendant to be loaded on such steamships for shipment abroad, all as hereinafter more fully set forth. All was done with full knowledge by defendant that such fertilizer was an inherently dangerous explosive and fire hazard, and all without any warning to the public in Texas City, or to persons handling same.

* * *

(f) During World War I, ammonium nitrate was used by defendant as an ingredient in the manufacture of military explosives. It was so used extensively in World War II, but due to the development of other explosives and perhaps other reasons, the facilities of the defendant and others used for its manufacture became surplus and not needed. Due to the fact that ammonium nitrate was also under certain conditions, and when safely prepared, valuable as an element in fertilizer, defendant, its agents and employees, about the year 1942, 1943, or 1944, or thereabouts, evolved plans to use such facilities, etc. in the manufacture of some type of fertilizer to be sold or distributed by defendant as a fertilizer in this country and sold or given away or distributed in certain foreign countries. There may be some dispute about the details of the program agreed upon and launched by the defendant, but that there was a program seems undisputed.

(g) Before embarking upon this enterprise and beginning the manufacture of fertilizer, defendant made some investigation to determine whether such

fertilizer was dangerous to manufacture, handle, ship, distribute, use, and whether it could be manufactured, handled, shipped, distributed, used, etc. without danger to those manufacturing or handling same and to the public generally. It learned many facts, but did not pursue such investigation far enough to learn all the facts, but negligently stopped short of learning all the facts. What facts it did learn, however, were sufficient to give defendant knowledge and to put defendant on notice, and if not, then upon inquiry that would if pursued, have led to knowledge and notice that such fertilizer which it decided to and began to manufacture was an inherently dangerous and hazardous material, a dangerous explosive, and a fire hazard. Such facts learned by defendant pointed to and showed that such fertilizer should not be manufactured, in that it was, under certain conditions and circumstances, most dangerous to everyone handling it in any way, and to the public. Yet defendant, its servants, agents and employees, in whose hands defendant had left the matter, negligently went forward in the manufacture, handling, distributing, shipping, etc. of such fertilizer. All such negligence was a proximate cause of such fires and explosions at Texas City and the injuries complained of by plaintiffs.

(h) After the manufacture and/or shipping, distribution, and handling of fertilizer had begun, there were experiments, events and incidents of which defendant knew, or of which defendant could have known by the use of diligence of a reasonably prudent person, showing such fertilizer to be very dangerous, both from the standpoint of fire and explosion. With this knowledge, defendant should have ceased the manufacture and sale of such fertilizer, or should have taken steps to insure the safety of persons manufacturing and handling such fertilizer and the public. And long before the defendant manufactured the particular fertilizer which is stated exploded on the Grandcamp and High Flyer in Texas City, defendant, its servants, agents and employees were fully informed of the danger to all persons involved in the manufacture, handling, sacking, shipping, and distributing such fertilizer, and the danger to the public. But nevertheless, defendant negligently continued such manufacture, handling, shipping, and distributing of such fertilizer, which negligence was a proximate cause of such fires and explosions and the injuries of which plaintiffs complain.

(i) Defendant in manufacturing such fertilizer, and particularly the fertilizer on the Grandcamp and High Flyer, allowed various substances to become mixed with the fertilizer, thus rendering it more susceptible to fire and/or explosion. This was negligence, and such negligence was a proximate cause of the fires and explosions, and of the injuries of which plaintiffs complain.

(j) Defendant in manufacturing such fertilizer, and particularly the fertilizer on the Grandcamp and the High Flyer, did so by a formula made and evolved by defendant or under its direction. It used as a coating of such fertilizer, a substance or substances which rendered same highly susceptible to fire or explosion. There were various types of coating, but the coating finally used made the fertilizer a very dangerous explosive and fire hazard. More than any other one thing, I think this coating made this commodity one of the most dangerous of explosives, and I find that defendant knew this. Its experiments and experiences give it full knowledge of such fact. This was negligence, and such negligence was a proximate cause of such fires and explosions and injuries of which plaintiffs complain.

(k) Defendant was negligent in failing to inspect and test such fertilizer, including the fertilizer on the Grandcamp and the High Flyer, at the place or places of manufacture and at the time and before it was shipped and to find and discover that it was highly inflammable and explosive and inherently dangerous to those who handled same and to the public. Such negligence was a proximate cause of such fires, explosions and injuries complained of by plaintiffs.

(l) Defendant was negligent in the manner in which it prepared such fertilizer, including the fertilizer on the Grandcamp and the High Flyer for shipment. Such fertilizer was by defendant, or under its direction, placed or sacked in bags made from paper or other substances which were easily ignited by contact with fire or by spontaneous combustion or spontaneous ignition of the fertilizer. Such bags also became torn and ragged in shipping and particles of the bags became mixed with the fertilizer and rendered same more dangerous and more susceptible to fire and explosion. Such negligence was a proximate cause of such fires and explosions and the injuries of which plaintiffs complain.

(m) Defendant was negligent in the manner in which it prepared such fertilizer, including the fertilizer on the Grandcamp and the High Flyer, for shipment. Such fertilizer was placed and packed in bags at high degrees of temperature, which temperature rendered the fertilizer more susceptible to fire and explosion. Such fertilizer was so packed that it did not get cool, but continued at high temperatures while being shipped. This was particularly true of the fertilizer which exploded on the steamship Grandcamp and the High Flyer. Same was packed in sacks at a high degree of temperature, which temperature continued with only slight reduction, if any, when the fertilizer was shipped across the nation to Texas City and there loaded onto such steamships. Such high temperature of such fertilizer was a proximate cause of the fire and explosions and injuries of which plaintiffs complain.

(n) Defendant was negligent in the manner in which it marked and labeled such sacks of fertilizer, including the fertilizer on the Grandcamp and the High Flyer, in that same was not labeled and marked as a dangerous explosive and fire hazard as required by the rules and regulations of the Interstate Commerce Commission. Such negligence was a proximate cause of such fires and explosions and the injuries of which plaintiffs complain.

(o) Defendant was negligent in delivering or causing to be delivered such fertilizer including the fertilizer on the Grandcamp and High Flyer so placed in paper bags to the railroad and other carriers over which it was shipped, without informing such carriers that it was dangerous, inflammatory, and explosive in character, and that it was dangerous to persons handling same and to the public. Such negligence was a proximate cause of such fires and explosions and the injuries of which plaintiffs complain.

(p) Defendant was negligent in the manner in which it labeled and marked such sacks of fertilizer, including the fertilizer on the Grandcamp and High Flyer, in that the labels and marks thereon did not show such fertilizer to be dangerous explosive and fire hazard. Such negligence was a proximate cause of such fires and explosions and the injuries of which plaintiffs complain.

(f) It seems to me that the negligence of defendant reached its peak when it caused or permitted the fertilizer manufactured by it, including the fertilizer on the Grandcamp and the High Flyer, to be shipped to Texas City to be there handled, unloaded and loaded into ships for shipment abroad. Such fertilizer was, and was known to defendant to be an inherently dangerous commodity and a danger and a menace to every person handling it and to the public. Yet it was shipped entirely across the nation to Texas City, and defendant did nothing to protect either those handling it, or the public against the danger, and did nothing to advise either such persons or the public or the officers or authorities at Texas City or the county or state authorities at Texas City of the danger.

But defendant says that it did not own all or some of the fertilizer shipped to Texas City and loaded on the Grandcamp and the High Flyer. Whether it did or did not own same is, I think, not material. I think, however, the facts

WANT ADS

Rates—\$12 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline Tuesday noon in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER

WANTED

EXPERIENCED SPECIAL AGENT. Special agent for North and South Carolina, Georgia with knowledge of transportation casualty business. Write Carolina Casualty Insurance Company, Burlington, N. C.

A & H CLAIM MAN

Experienced for responsible position with the home office of a Chicago mutual casualty company. Write giving experience, education and personal data. Address Z-48, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

CASUALTY SPECIAL AGENT

wants field job to open service office or department in East or South. Twenty years selling and underwriting—multiple line, bureau and non-bureau with two companies. Now selling at top salary in large branch office. Address Z-72, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

USE YOUR OWN COMPANIES
WHEN POSSIBLE

Otherwise Let Us Help You with Your Unusual
or Difficult Problems—

1889



1950

Lloyd's London

R. B. Jones & Sons Inc.

C. REID CLOON, Manager

175 W. JACKSON BLVD.

CHICAGO 4, ILL.

PRITCHARD AND BAIRD

99 John St., New York 7, N. Y.

B Eekman 3-3010

WOrth 2-3166

REINSURANCE

CONSULTANTS AND INTERMEDIARIES

"WE ARE WHAT WE DO"

CASUALTY • SURETY • FIRE • MARINE

in the such fer-
ver, for
ced and
of tem-
ended
to fire
was so
ool, but
s while
ularly
oded on
the High
ks at a
ch tem-
reger
was City
mships.
ch fer-
the fire
of which

in the
labeled
ing the
and the
was not
sured
by Inter-
ch neg-
of such
injuries

n deliv-
ed such
on the
placed
and other
shipped,
that it
and ex-
it was
ame and
was a
and ex-
h plain-

in the
marked
ing the
nd High
marks
lizer to
hazard.
e cause
the in-
in.

negli-
s peak
fering
the and
as City
l loaded
Such
to den-
gerous
menace
to the
entirely
and de-

either
against
advise
e or the
City or
t Texas

did not
shipped
Grand-
ether it
ink, not
e facts

DS

ch mini-
Tues-
Jackson
ested to

al agent
gia with
business.
company,

with the
ity com-
ion and
National
icago 4.

ENT

or de-
s selling
au and
selling
Add: 235
Jackson

clearly show that it did own same and I so find. Defendant not only owned same, but shipped or caused same to be shipped to Texas City, issued or caused to be issued government bills of lading, and paid for shipping and other similar charges.

It will not do to say that defendant did not know the dangerous character of such fertilizer and could not reasonably foresee that more than 500 persons would be killed and many persons injured and that there would be vast property damage. Defendant did know. It knew at the time the fertilizer on the Grandcamp and the High Flyer was manufactured, at the time it was shipped across the country to be loaded at Texas City, and at and after the time it was loaded on the ships, that it was dangerous to everyone handling it and to the public. Any reasonably prudent person having the same knowledge could and would have foreseen that dangerous fires and explosions would have occurred. The action of the defendant in so shipping such fertilizer, or causing it to be so shipped, to Texas City to be loaded on the ships was a culmination of the many negligent blunders of the defendant already pointed out in manufacturing, packing or bagging and shipping such fertilizer, and was gross negligence. Such negligence was a proximate cause of such fires and explosions and the injuries of which plaintiffs complain.

(r) But that is not all. It was the duty of the defendant, well knowing as it did the dangerous nature and character of such fertilizer which defendant shipped or caused to be shipped to Texas City, to notify and advise all carriers handling same, including the Steamships Grandcamp and High Flyer, and to notify and advise the city and state officers at Texas City of the dangerous nature and character of such fertilizer to the end that such carriers and their employees and such officers could if possible protect themselves and the public against the danger of fires from and explosions of such fertilizer. It was the duty of the defendant to advise such carriers and such officers with respect to the best and most approved method of preventing fires and explosions and extinguishing and fighting fires in such fertilizer. All these duties defendant negligently wholly failed to perform, and which negligence was a proximate cause of the fires and explosions and the injuries of which plaintiffs complain.

(s) I think it may be correctly said and I so find, that such fertilizer was a dangerous nuisance. I find that in manufacturing, shipping, and distributing same, defendant was creating and maintaining a nuisance. Such fertilizer at Texas City was a nuisance and one that was dangerous to all handling it and to the public, and defendant knowingly caused and maintained such (nuisance) maintenance.

(t) Defendant at and before the time of such explosions and fires, maintained on Texas City coast in, and in the vicinity of Texas City, the United States Coast Guard, which organization was required by law and rules and regulations promulgated by it, the defendant, to make provisions for the safety of persons handling commodities such as was such fertilizer, and particularly for the safety of the public. Yet defendant failed to cause or require such Coast Guard to supervise and direct the handling of such fertilizer at the port of Texas City, and particularly the loading of same onto the Grandcamp and the High Flyer. Had such direction been given to the Coast Guard, or had the different carriers, including the steamship companies, been advised by defendant of the presence in Texas City of such fertilizer and the grave danger therefrom, they would have doubtless called upon the Coast Guard, and the Coast Guard could have compelled the removal of the fertilizer from Texas City, or could have compelled its reconditioning as to bags and temperature before loading onto the steamships, or could have required such steamships to load same elsewhere, i.e., some place away from a dense population and a large industrial center. As it was, such Coast Guard did nothing whatever about such fertilizer, or its presence in Texas City, or its loading onto the Grandcamp and High Flyer. All of which was negligence, which was a proximate cause of such fires and explosions and the injuries of which plaintiffs complain.

(u) Chapter 7 (section 170 and its subdivisions) of Title 46 U. S. C. A. respecting the carriage or transportation of explosives or dangerous substances on vessels on navigable waters of the United States, contains various provisions for the safety of not only vessels and cargo, persons on board, but those handling such substances and the public on such waters and on shore.

The Coast Guard is required to and did promulgate regulations concerning such matters and is required by Section 170 (12) to enforce the law and such regulations. The evidence clearly shows that the Coast Guard, if it did not know of the presence of such fertilizer in Texas City, could have known thereof by following the law and its regulations, and/or by the use of the slightest diligence. If it did not know, it was because it made no effort to discover the presence in

Texas City of such fertilizer and that it was to be or was being or had been located on the Grandcamp and the High Flyer. In fact, the Coast Guard just did nothing about it. It was negligent, which negligence was a proximate cause of such fires and explosions and the injuries complained of by plaintiffs.

(v) Defendant and such Coast Guard were negligent with respect to the fire on the Grandcamp and the subsequent explosion or explosions on the Grandcamp and the fires and/or explosions which followed, including the fire and explosion on the High Flyer, in the following particulars:

In failing to promptly and quickly learn of and discover the fire on the Grandcamp.

In failing to use proper and efficient efforts to extinguish such fires on the Grandcamp and to prevent the subsequent explosion which occurred.

In failing to remove the Grandcamp and/or have her removed from the Texas City harbor after the fire was discovered thereon before such explosion thereon. If there had been diligence used, there was ample time for this to have been done, and it is most surprising that it was not done.

In failing to use proper and efficient efforts to extinguish and prevent the spread of the fires in Texas City and in Texas City harbor caused by the fires and explosions on the Grandcamp, including the fire on the High Flyer and explosion on the High Flyer.

In failing to remove the High Flyer from Texas City harbor after the fire was discovered thereon before the explosion occurred thereon.

In failing to use efficient methods, efforts and precautions to prevent the explosions and fires after discovery of the fire on the Grandcamp.

(x) I am requested by defendant to make the following findings of fact:

"Plaintiffs have failed to prove by a preponderance of the evidence commissioned by defendant, or any employee, or agent thereof, of any act of negligence or omission such as would constitute negligence which proximately caused damage at Texas City. Plaintiffs have failed on the whole case to prove by a preponderance of the evidence any act of negligence proximately causing the damage at Texas City."

I cannot see my way clear to make the findings requested. As hereinbefore stated and without reiterating what has been said, I think the evidence is clear that defendant manufactured or caused to be manufactured the fertilizer which exploded on the Grandcamp and the High Flyer, such commodity so manufactured or caused to be manufactured by defendant was an inherently dangerous explosive and a fire hazard, not only to the persons manufacturing same, but to persons transporting and/or using same and to the public. As stated, long before the particular fertilizer which exploded on the Grandcamp and the High Flyer was manufactured, defendant, its servants, agents and employees, were fully aware that such fertilizer was a fire hazard and an inherently dangerous explosive, and defendant was guilty of negligence as herein set forth in detail, which negligence was a proximate cause of the fire and explosions

and the injuries of which plaintiffs complain. And I further think and find that any reasonably prudent person with the information that defendant had would have been expecting the fires and explosions at any time.

(y) I am requested by defendant to make the following findings of fact:

"Plaintiffs have failed to name or otherwise identify any single employee or agent of defendant who committed any act of negligence, or whose omission would have constituted negligence, which proximately caused damage at Texas City."

This record speaks to the contrary. The difficulty is that this large record shows that in the error and mistake in manufacturing and distributing this dangerous commodity so many took part that naming them some will be overlooked or omitted. They may well be grouped as follows:

Group 1. Those who among other things, negligently planned, launched, and carried on the enterprise of manufacture, shipping, and distributing such fertilizer.

Group 2. Those, who among other things, negligently manufactured, sacked, shipped, transported and distributed such fertilizer.

Group 3. The United States Coast Guard officers and men who have been among other things charged with some duty with respect to such fertilizer at the time of and after its arrival at Texas City at the time of and after the explosions and fires which followed, and including those charged with the duty of administering and enforcing Title 46



The quality of any safety glass is directly dependent on the plastic laminate in it. So, in our Check No. 63, we see to it that the temperature and humidity are exactly right when the freshly-dried plastic laminate goes to the cutting room.

This is only one of our 142 Quality Checks and Controls, all of which are equally important to you and your policyholders because they give L-O-F Safety Glass:

1. Better heat stability
2. Better light stability
3. Better strength for safety
4. Better adhesion, glass to plastic

That's why L-O-F Hi-Test is the best Safety Plate Glass you can get—anywhere. Libbey-Owens-Ford Glass Company, 945B Nicholas Building, Toledo 3, Ohio.

NO FINER GLASS THAN
LIBBEY-OWENS-FORD

HI-TEST SAFETY

LOF
PLATE

BE SURE YOU GET
WHAT YOU PAY FOR



There are two grades of Safety Glass—one made of polished plate glass, the other of sheet or ordinary window glass. Claim agents who are on their toes when honoring broken glass claims, always specify Safety Plate Glass and look for the L-O-F identifying stencil on each light supplied. That assures the policyholder and your company of getting full value.

U.S.C.A. dealing with the shipment of dangerous explosives.

(a) I am requested by defendant to make the following findings of fact:

"The fire aboard the S.S. Grandcamp was not caused by spontaneous ignition in the fertilizer grade ammonium nitrate in hold No. 5. This fire in hold No. 4 of the S.S. Grandcamp did not cause detonation of the fertilizer grade ammonium nitrate stowed in hold No. 4. The cause of the fire in hold No. 4 of the S.S. Grandcamp is not known. The cause of the detonation of the fertilizer grade ammonium nitrate in hold No. 4 of the S.S. Grandcamp is not known. The fire in hold No. 4 of the S.S. Grandcamp was caused by the intervening acts of persons other than agents or employees of the defendant. The detonation of the fertilizer grade ammonium nitrate in hold No. 4 of the S.S. Grandcamp was extraordinary and unforeseeable events."

I cannot see my way clear to make such requested findings. The evidence shows to the contrary almost beyond a reasonable doubt. As herein stated, the fire on the Grandcamp was caused by spontaneous combustion or spontaneous ignition or something similar of such fertilizer, and the gases, vapors, etc., of such burning or heated fertilizer exploded or brought about such explosion. Such fire and explosion was not caused by intervening acts of persons other than agents or employees of the defendant. Such explosion was extraordinary in that it was the most serious one caused by such fertilizer so far known, shown by the record, but it was not an unforeseeable event. With the knowledge which the defendant, its servants, agents, and employees had of the fertil-

izer, the methods of its manufacture, sacking, shipping, etc., and the knowledge of its dangerous and hazardous character as an explosive and as a fire hazard, I would have to find them to be below the average in intelligence in order to find that they or any other reasonably prudent person or persons with similar knowledge were not expecting trouble. Definitely neither the fires nor the explosions were unforeseeable.

(aa) I am requested by the defendant to make the following findings of fact: "The explosion aboard the S.S. Grandcamp and resulting damage was an unavoidable accident."

The explosion on the Grandcamp was not an unavoidable accident. Had the defendant not been guilty of acts of negligence herein found, such explosions and such fires would not have occurred.

(bb) I am requested by the defendant to make the following findings of fact: "Defendant had no title or control or species of control of the fertilizer grade ammonium nitrate at Texas City or on board the S.S. Grandcamp and the S.S. High Flyer. The defendant was not the shipper of the fertilizer grade ammonium nitrate that was loaded on board the S.S. Grandcamp and the S.S. High Flyer."

The request is not meritorious. As stated, the defendant manufactured or caused the manufacture of such fertilizer. It was the owner thereof from the time of its manufacture on. Only part of the cargo had been loaded at the time of the fires and explosions. Whether such ownership passed to another by such loading and was in another at the time of the fires and explosions, the evidence does not make clear. It is cer-

tainly true that control of and over such fertilizer never passed out of defendant. There never was a moment from the time the manufacture of such fertilizer to the time of the fire and explosion on the Grandcamp the defendant did not have the authority and could not have by the exercise of diligence prevented same. The claim that defendant was not the shipper of such fertilizer is without merit.

(cc) I am requested by defendant to make the following findings of fact: "The fertilizer grade ammonium nitrate at Texas City was not shown to be defective in any way, and was not an inherently dangerous substance."

Such fertilizer was continuously an inherently dangerous substance from the time it was being manufactured on up to the time it exploded on the Grandcamp and the High Flyer. Further, as has been herein pointed out, defendant well knew that it was an inherently dangerous substance. As a high powered and dangerous explosive, the fertilizer certainly was not defective. It practically wiped out Texas City. As a fertilizer it was defective in that it was dangerous. It was dangerous to manufacture, dangerous to ship, and dangerous to use. If it was useful as a fertilizer, such danger destroyed such usefulness.

CONCLUSIONS OF LAW

1. The rules require and the parties are entitled to have findings of fact not of the evidence but upon the issues. I think the foregoing findings of fact are adequate in that respect.

The question of presentation of conclusions of law is more difficult. The case was well tried and it has been well argued and briefed on both sides. Counsel have gotten up on tiptoe on their presentation of the law. There are hundreds of pages of briefs and hundreds of cases, etc., cited therein. Some of the cases are in point and some are not. After reaching a conclusion in the case, I have had to decide whether to consume the time and delay judgment in order to write an opinion, citing and discussing the cases, simply state, as the rules seem to require and contemplate, my conclusions on the law. I have decided upon the latter course.

The fertilizer was an inherently dangerous commodity. It was in the main conceived outside of Texas and was manufactured outside of Texas. The earlier negligent acts of which defendant is found herein to be guilty occurred outside of Texas. But with full knowledge by defendant that such fertilizer was an inherently dangerous commodity, defendant caused it to be bagged in bags which made it more dangerous, caused it to be loaded in cars at temperatures which made it more dangerous, and shipped it into Texas and into Texas City, in this district and division, to be loaded into vessels for foreign export, the details of which are set forth in the foregoing findings of fact. This was negligence and was a proximate cause of such fires and explosions and plaintiffs' injuries. Passing by the question of whether plaintiffs may recover here by reason of such earlier acts of negligence outside of Texas, I conclude that a private individual would, under like circumstances, be liable in damages in Texas to plaintiffs for the acts of negligence in Texas and that defendant is liable here.

6. Texas City was a residential, industrial and shipping area. Aside from many homes, there were wharves, docks, warehouses, railroad terminals, oil refineries and manufacturing concerns of many kinds. All were rather completely grouped around the loading and unloading docks for vessels. With full knowledge of the inherently dangerous character of such fertilizer, defendant, as stated and as fully set forth in the findings of fact herein, manufactured, bagged, shipped, or caused such fertilizer to be shipped to Texas City to be unloaded from the railroad cars and in turn loaded into vessels, without doing anything whatever to prevent fires and explosions such as occurred on April 16 and 17, 1947. For instance, defendant could have alerted the Coast Guard whose special duty it was to enforce the laws and regulations concerning dangerous commodities, could have notified the city and state authorities in Texas City, could have caused the fertilizer to be sent out of Texas City, or had it shipped in the first place, to some less congested area, could have by the use of diligence that any reasonably prudent person would have used, prevented the Texas City disaster. (See findings of fact.) I conclude that a private individual would, under like circumstances, have been liable in damages in Texas to plaintiffs and that defendant is liable.

7. The negligence of defendant, the Coast Guard and other servants, and employees of defendant after the beginning of the fire on the Grandcamp as set forth in the findings of fact herein, I conclude that a private individual would under like circumstances, have been liable in damages in Texas, and that the defendant is liable here.

8. Clearly such fertilizer ought never to have been manufactured. From the beginning on down it was a dangerous commodity and a dangerous nuisance.

The continuing acts of negligence with respect thereto, some in Texas and some outside of Texas, as found in the findings of fact, resulted in and proximately caused the Texas City disaster. I conclude that a private individual would, under like circumstances, have been liable in damages in Texas to plaintiffs for all such acts of negligence from beginning to end and that defendant is liable here.

9. I have not only found as a fact, but I conclude as a matter of law, that under the facts as found herein each shipment of such fertilizer was a dangerous public and private nuisance from the time it was manufactured, from the time it entered Texas, from the time it entered and during the time it remained in Texas City. I think a private individual so maintaining a nuisance or nuisances would have been liable in damages in Texas to plaintiffs and that defendant is liable here.

10. Upon the whole case, and under all the facts found here, and according to the rule in Texas and in many other states, I conclude that defendant is liable to plaintiffs for such damages as they may have suffered.

Honor Smith and Howell, F. & D. 40-Year Veterans

E. Milton Smith, vice-president in charge of the contract department of Fidelity & Deposit, and G. Robert Howell, manager of the fidelity department, both of whom are celebrating their 40th anniversaries with F. & D., were the guests of honor at a luncheon given last week by their associates in the home office.

Messrs. Smith and Howell joined F. & D. within a week of each other, Mr. Smith as a clerk in the comptrollers department and Mr. Howell as a stenographer in the fidelity department. The latter has served continuously in that department, advancing through various positions to manager in 1945.

Mr. Smith has been with almost every department in the home office. He was made manager of the contract department in 1937 and was elected a vice-president the following year.

Employers Liability Has Managers' Rally at Boston

Employers Liability resident managers and assistant managers from all sections of the country were in Boston last week for their annual conference on administrative and production matters. In addition to three days of round table meetings with home office executives, two days were spent conferring with department heads.

Resident managers and assistants attending were Hubert L. Blackwell, Atlanta; T. M. Buggie, Jr., Philadelphia; M. T. Crowell, Milwaukee; W. A. Eakin, Chicago; H. R. Egloff, New Orleans; E. C. Greer, Detroit; R. E. Harris, Cleveland; T. M. Hart, Minneapolis; Daniel Heisey, Baltimore; W. S. King, Denver; L. H. McDonald, East Orange; J. J. Murray, Boston; J. M. Pernollet, New York; J. V. Rice, Louisville; G. L. Story, Boston; W. N. Williams, Dallas, and William Wittkoff, San Francisco.

Brooklyn C. of C. Forum

The general insurance council of the Brooklyn Chamber of Commerce is staging a business insurance forum May 2 and is making a drive for submission of questions in advance. T. F. Glavey, insurance officer of Chase National Bank, is chairman.

Others on the panel, all of Brooklyn, are: Fire, William T. Spiegelberg, manager of Royal; liability, William F. Drew, casualty manager of Hartford Accident; burglary, Laurence J. D'Acunto, burglary department, National Surety; fidelity, Arthur H. Kraus, fidelity manager of National Surety; inland and ocean marine, David K. Tuttle, head of the marine general agency bearing his name; and disability, Earl E. Certain, group and pension department manager of Aetna Life.

A number of insurance representatives are attending the annual meeting of American Assn. of Airport Executives at Columbus, O., this week.



Where have you seen this Group Before?

All over the country? Indeed! It was in TIME magazine. It was in the Saturday Evening Post. It was the main illustration of one of our 1950 national advertisements. Millions of people saw this ad. Millions of people are

always seeing our ads . . . and these millions of people are being convinced more and more, month after month, that The Man with the Plan, The Employers' Group Agent, is the man to see for BONDS.

The Employers' Group Insurance Companies

110 MILK STREET, BOSTON 7, MASS.
THE EMPLOYERS' LIABILITY ASSURANCE CORP., LTD.
AMERICAN EMPLOYERS' INSURANCE CO. THE EMPLOYERS' FIRE INSURANCE CO.

Arg
Losses
Under
Ratio
Ratio
Admitt
Liabili
Surplu
Premi
Total
Losses
Losses
Total
Admitt
Liabili
Surplu
Net pr
Losses
Ratio
Rise
Con
and L
busine
\$28,486
Stoc
underv
compa
1948.
1946.
large
588,522
gain c
writing
panies
1948, t
The
show
to wri
decrea
last y
creases
On fir
to wr
43.6%
miums
528,19
Other
Oth
new i
very
invest
vidual
summ
this c
writte
ment
miums
earned
losses
pense
under
ratio
loss fi
and lo
vestm
divide
reserv
the ne
Add
panies
assets
premi
lines,
states
and
conver
makes
compa
which
a list
name,
the la
The
ers 72
74th a
sive f
practi
Cover

Argus Chart Aggregates for 1949

(CONTINUED FROM PAGE 2)

Losses incurred including adjusting expenses.....	115,713,113	111,360,216
Underwriting expenses incurred.....	102,321,203	93,580,698
Ratio of losses incurred to premiums earned.....	41.4	44.6
Ratio of und. expenses incurred to prems. earned..	36.6	37.5

FACTORY MUTUAL FIRE COMPANIES

	1949	1948
Admitted assets	\$ 193,068,955	\$ 176,210,077
Liabilities	100,212,039	104,004,165
Surplus to policyholders.....	92,856,916	72,205,912
Premium deposits in force.....	177,480,641	163,363,906
Total income	78,081,345	88,116,860
Losses incurred	6,399,491	14,207,959
Losses paid	12,250,106	10,618,929
Total disbursements	66,599,830	63,083,655

RECIPROCALLS AND LLOYDS

	1949	1948
Admitted assets	\$ 63,645,838	\$ 54,308,285
Liabilities	24,254,092	30,837,066
Surplus to policyholders.....	27,434,509	23,471,219
Net premiums written.....	31,266,650	28,486,437
Losses paid including adjusting expenses.....	10,376,070	8,072,106
Ratio of losses paid to net premiums written.....	33.2	28.3

Rise of 4% in Fire Company Premiums

(CONTINUED FROM PAGE 1)

and Loyds, wrote \$31,266,650 of fire business last year as compared with \$28,486,437 the previous year.

Stock companies had a net gain from underwriting of \$277,709,597 in 1949, as compared with a gain of \$119,717,081 in 1948. Losses were incurred in 1947 and 1948. Stock companies also made a large gain from investments of \$360,588,522 last year, as compared with a gain of \$98,943,639 in 1948. Underwriting expenses incurred for these companies declined from \$989,349,954 in 1948, to \$940,787,724.

The earned to incurred loss ratios show the same improvement as the paid to written. Stock companies showed a decrease from 52.0% in 1948 to 46.7% last year, while mutual companies decreased from 44.6% to 41.4% in 1949. On fire business alone, the stock paid to written loss ratio decreased from 43.6% to 39.2% last year. Fire premiums rose only slightly from \$1,074,528,196 in 1948 to \$1,092,642,990 in 1949.

Other Interesting Special Tables

Other interesting special tables in the new 1950 Argus Fire Chart include a very comprehensive underwriting and investment exhibit, showing both individual companies and groups—with summaries for each of 117 groups. In this exhibit are given net premiums written, losses paid including adjustment expenses and the ratio to premiums written, premiums earned, unearned premiums, increase in unearned losses incurred including adjustment expense and the ratio of premiums earned, underwriting expenses incurred and the ratio to premiums earned, the gain or loss from underwriting including profit and loss items, the gain or loss from investments, federal income taxes incurred, dividends declared, increase in special reserves, other changes in surplus, and the net increase in surplus.

Additional tables rank the top companies by premiums written and by assets for the last 10 years, show net premiums and paid losses of accessory lines, for all stock companies, list the states in which companies are licensed, and show underwriters agencies. A convenient cross indexing arrangement makes it possible to turn directly to any company in a group without knowing to which group it belongs. There is also a list of companies that have changed name, merged or gone out of business in the last five years.

The new Argus Fire Chart which covers 721 companies in its 128 pages, is the 74th annual edition. It provides extensive financial and operating figures on practically all companies in the business. Covering many more companies than

any other small chart, it is helpful to agents everywhere, not only for their own reference but is also frequently supplied to important assured. Single copies sell at \$1.75 each, 12 copies at \$1.10 each, 100 at 65c each and less in larger quantities. Single copies may be ordered on approval. Orders should be addressed to the National Underwriter Company, statistical division, at 420 East Fourth street, Cincinnati 2, Ohio, or to any National Underwriter office.

Third Party Must Comply with Loss Proof Feature of Burglary Contract

The state of Arkansas commissioner of revenues was denied the right by Arkansas supreme court to assert a claim under a burglary policy of a third party whose depository the state was using; this on the ground the state was some 10 days late in submitting proof of loss. The case was Cook, Comr. of Revenues vs. U. S. F. & G.

The insured was E. Ritter & Co. of Marked Tree. There was provision for covering property owned by third persons under some circumstances and for payment by the insurer directly to such third persons.

In January, 1947, M. B. Miller, county inspector for the state revenue department, put a cigar box containing money that he collected for the state, in Ritter's safe. This was done for several nights. One night burglars broke open the safe taking considerable money belonging to Ritter, as well as the state's cigar box of money. The latter box contained \$1,576. The state has already recovered \$1,000 under another policy and suit was brought to recover the remainder.

No formal proof of loss was ever furnished by the state, but some 10 or 12 days after the expiration of the 60-day period allowed for proof of loss, the commissioner of revenues made a request that U. S. F. & G. make payment to him on the policy. The state contends that the function of the proof of loss clause was served when U. S. F. & G. actually learned of the loss and that a third party, unacquainted with the terms of the contract, should not be held subject to its provisions until he learned of his right under it. The court held that, assuming that the state has rights under the contract it still cannot recover because it has not complied with the proof of loss requirement in the contract. When it is assumed that the state has rights as a third party beneficiary under this contract, the court assumes no more than that he has the rights which the contract specifies, subject to the conditions which it specifies. He cannot ask further that the contract be remade to confer upon him a right denied by its terms. As a volunteer, he either takes the contract as it is or not at all.

UNEXPECTED DISCOVERY!

Get the facts about this big market!



Self-insurers aren't lost business to you. You can get some very profitable business from them in excess public liability and property damage and excess workmen's compensation . . . or perhaps you need excess PL or PD over primary coverage. There's no mystery nor anything complicated about writing this profitable business. We've had 30 years

experience in writing it and can give you complete information and tell you how to go about getting it.

Here's an unexpected discovery of profits for most insurance men. A golden opportunity for aggressive salesmen. Go after it. We can help you. Write or phone for information

Underwritten by Lloyd's of London.

R. N. CRAWFORD & CO., Inc.

120 So. La Salle St., Chicago. Tel. Randolph 0750



THE Invisible Armor of Comprehensive National Surety Protection!

Fidelity and Surety Bonds
Blanket Bonds
Liability Insurance
Workmen's Compensation
Inland Marine
Burglary

INSURANCE NEWS BY SECTIONS

EASTERN STATES ACTIVITIES

Main Features of N. Y. Parley Set

The outstanding features of the annual convention in Syracuse May 8-9 of the New York State Assn. of Insurance Agents are now pretty well shaped up. As usual the convention opens with a forum on local board problems, to be followed by a panel on learning from those who know, at which Clarence R. Rauter, director N.A.I.A. educational and research division, will act as moderator.

The panel subjects are fire legal liability and casualty insurance up to date, to be treated by William Leslie, manager National Bureau of Casualty Underwriters and Roy A. Duffus, Rochester, president of the association; new disability benefits insurance, Joseph A. Neumann, Jamaica, L. I., executive vice-president of the association, and a company expert; bond sales techniques that work, Clarence H. Twichell, Syracuse, and a company expert, and inland marine lines, Edward J. Masterson, American group, and Charles L. Johnson, Van Voast agency, Schenectady.

Dincen and C. P. Butler
Superintendent Dincen of the New York department and Charles P. Butler, until recently executive vice-president N.A.I.A., will speak Tuesday morning, along with Miss Mary Donlon, chairman Workmen's Compensation Board.

Tuesday afternoon there will be a joint discussion of the commission problem by John C. Stott, past president N.A.I.A. and formerly state association president, who will be joined in the discussion by a top company executive. The opening dinner and floor show will be Monday evening. Excelsior will give a complimentary buffet lunch Tuesday, and the America Fore group cocktail party will be Tuesday evening. The Syracuse University alumni glee club, which is directed by A. C. Deisseroth, prominent Syracuse agent, will entertain at the banquet, and there will be a ladies fashion show luncheon Tuesday.

N. Y. Local Groups Elect

Recent elections of officers by local New York state associations include:

Olean: President, William M. Pelton; vice-president, Edward C. Ryan, and secretary, John P. Toohey. Watertown: President, Robert Stephens; vice-president, Lawson Walton, and secretary, Bainbridge Eager. Syracuse: President, George W. Brennehan; vice-president, Gustav Schneider, and secretary, Thomas H. Munro, Jr. Plattsburg: President, Harry E. Frazier; vice-president, Howard D. Grant; secretary, George Brewer, and treasurer, Alan H. Booth.

Honor Phillips Co. Agency

The Phillips Co. of Atlantic City, was entertained at a luncheon given by Camden Fire commemorating the 50th year of representation of Camden by that agency.

William T. Read, chairman of Camden, presented an illuminated scroll of a resolution adopted by the directors to Walter W. Clark, president of the agency, and each member of the agency was presented a desk set by Barry Truscott, president of Camden.

Others in attendance from the home office were Allen M. Mills and William C. Wideman, vice-presidents, and William B. Hutchinson, New Jersey state agent.

Home Moves Newark Office

The Newark office of Home has been

moved to new and larger quarters at 744 Broad street, occupying the major portion of the fourth floor. Operations of Home Indemnity are combined at the new location. William F. Ohl, Jr., is in charge.

Teachers Insurers' Guests

HARTFORD — Along with banks, factories, department stores and newspaper offices, insurance companies here threw open their doors last week to the teachers of Greater Hartford.

It was the largest business and industry "field laboratory" program ever held in New England. It is expected to mark the beginning of a new chapter in elementary and secondary school vocational guidance for this part of the country.

The day was carefully planned to give the visitors the fullest opportunity to get acquainted with the insurance companies and the other businesses visited, and thus to be better equipped to do future vocational placement work.

Malone Stresses Regulation

PHILADELPHIA—The main problem in insurance rate regulation in Pennsylvania is securing adequate personnel to do the regulation work, since insurance department salaries are not sufficient to attract capable men, former Commissioner Malone told Insurance Agents & Brokers Assn.

Discussing his experiences as commissioner, Mr. Malone put the emphasis on rate regulation. He stressed the need for adequate personnel and said that if the state department does not work properly, the federal government will step in.

He said that since the new law went into effect in January, 1948, there have been 4,140 rate filings to review.

Norwich Assn. Hears Ball

Warren A. Ball of Hartford, manager New England Fire Insurance Rating Assn., spoke at the April meeting of Underwriters Assn. of Norwich.

Mr. Ball sketched briefly the beginnings of the rating bureau in 1883, and told how the service today extends to more than 1,000 agents in Connecticut, with several thousands of rates and rulings handled daily.

This work, he said, could be expedited by better cooperation among agents, companies, and rating bureaus. A new form for criticisms is being issued, to insure uniformity among all New England association forms, he explained.

MIDDLE WEST

Mich. Mutual Agents to Meet at Lansing May 10-11

The annual convention of mutual agents of Michigan, sponsored by Michigan 1752 Club, will be held May 10-11 at Lansing.

Charles White, Fremont, president of the agents, and John S. Kerper, 1752 Club president, will extend greetings. Guests at the luncheon May 11 will be Governor Williams, Commissioner Forbes, Deputy Commissioner Corell, and Daryle Watters, license director of the Michigan department.

Speakers will include Paul Dubuc, Shelby Mutual Casualty, on "New Garage Liability Policy"; H. B. Skelton, Rough Notes Co., "How to Operate an Agency with the Lowest Cost," W. H. Clarke, Iowa Hardware, "In the Public Interest"; R. N. Hiatt, Indiana Lumbermen's Mutual, "Future of the

Fire Insurance Business." A movie, "Last Date," produced by Lumbermen's Mutual Casualty, will also be shown.

Milwaukee May Stop Fire Dep't Service to Suburb

MILWAUKEE — If the village of West Milwaukee annexes eight big industrial plants with a valuation of more than \$16,000,000, now in the town of Greenfield, the city of Milwaukee may withdraw the fire protection from West Milwaukee, which has no department and obtains protection on a fee basis averaging about \$12,000 a year to Milwaukee and about \$6,000 to West Allis.

Fire Chief Wischer is in favor of cutting off fire service to the suburb immediately if eight industries are annexed. He pointed out that they include numerous large malting concerns, with high potential explosion and fire risks. He estimated it would cost the village about \$1,000,000 in capital investment and nearly \$400,000 a year in operating costs for a village fire department furnishing the same protection now provided by Milwaukee, which enables the village to enjoy insurance rates about the same as in Milwaukee.

Speakers for Ohio Mutual Agents' Meeting Announced

Ohio Assn. of Mutual Insurance Agents will hold its annual meeting at Akron April 27-28. Speakers will include Arthur M. O'Connell, T. E. Wood agency, Cincinnati; Paul H. Dubuc, agency secretary Shelby Mutual Casualty; John J. Adams, Jr., resident secretary Central Manufacturers, Boston; James E. Anderson, general counsel and vice-president of Shelby Mutual, and Paul R. Gingham, Columbus insurance attorney. Mr. Anderson will speak on "Agency Law as Qualified by Usage and Practice of the Insurance Industry," and Mr. Adams on "Proper Methods and Mechanics in Making Sales."

Herndon at Cincinnati

Insurance men need to inform government officials about the advantages of the American agency system to safeguard it from excessive regulation, Maurice G. Herndon, Washington representative of N.A.I.A., declared in addressing the monthly meeting of Cincinnati Fire Underwriters Assn.

Arthur M. O'Connell, president of the association, reported he will attend the Ohio Assn. of Mutual Insurance Agents' meeting April 27 at Akron to assist in this program.

Ohio agents are anxious to devise a suitable plan to provide adequate compensation for those injured in automobile accidents so as to silence advocates of state fund and other radical measures.

Consequently the ideas of extending medical payments to include pedestrians as well as an improved financial responsibility law are being considered.

Thomas P. Bryant, vice-president, reported on fire prevention activities. He plans to honor members of the Cincinnati fire department at the next meeting because of the national award Cincinnati received in the annual fire waste contest.

George Guckenberger was program chairman and introduced Mr. Herndon.

Ross Visits Five Boards

Kenneth Ross, Arkansas City, president of Kansas Assn. of Insurance Agents, will appear before five local boards next week, including Kansas City, Kan., and Leavenworth April 24, Lawrence April 25, and Independence and Coffeyville April 26. An executive committee meeting of the Kansas association has been called for May 3-4 at Topeka.

COAST

Experts Record Talks on Inland Marine Losses for G.A.B. Spokane School

Tape recordings of talks by experts in inland marine loss problems will be flown to Spokane, Wash., from San Francisco for the inland marine adjusters training school to be held there by General Adjustment Bureau April 23-29.

The talks were specially recorded for the school by R. J. Piro, claims superintendent North British; W. D. Framp-ton, superintendent inland marine department Commercial Union group; S. H. Buchholz, general adjuster, Royal-Liverpool; J. R. Jones, general adjuster America Fore, and W. O. Cooper, general agent Underwriters Salvage Co., all of San Francisco.

The Pacific Coast department of the bureau is conducting a series of training schools for its adjusters. Men are brought in in groups of 20 for the refresher courses, which are rotated in various cities to enable all personnel to attend.

Pacific Board Holds P.R. Conference at San Francisco

West coast fire insurance executives and representatives from associations participated in the annual public relations conference of the Pacific Board at San Francisco.

Highlighting the agenda was discussion of the possibility of having town inspections in the Pacific Coast and mountain states as one of the major projects for the coming year. This discussion was led by W. H. Devendorf, special agent for Deans & Homer at San Francisco. Presiding over the session was Hugh S. Coburn, chairman of the board's public relations committee. S. T. Shotwell, its vice-president, opened the conference.

Speaker at the luncheon was Charles W. Collier, executive vice-president Advertising Assn. of the West, who pointed out that public relation activities are necessarily intangible, but that the results are highly concrete, and are reflected in increased business.

An appraisal of the scope of activity of field clubs was presented by Frank C. Colridge, general manager of the board. Clyde M. Marshall, vice-president of the board's public relations committee, outlined the material the National Board makes available of field men and producers. Herbert H. Kirschner, public relations counsel for the board, reviewed the past year, and R. B. Masters, president Fire Underwriters Assn. of the Pacific, gave a resume of the conference.

Open Two Service Offices

A Boise service office has been opened by Stuart G. Thompson-Elwell Co., Seattle general agency. Harry R. Maxon, formerly chief examiner for Idaho Surveying & Rating Bureau, is in charge.

The general agency also has opened a service office at Yakima, with E. A. Greenwood, formerly in charge of its Tacoma office, as manager.

G.A.B. Opens New Cal. Office

A new office of General Adjustment Bureau has been opened at Santa Barbara, Cal., with James A. Ritsema, formerly adjuster in charge at Santa Monica, as manager. Associated with Mr. Ritsema will be Buford O. Brown of the San Francisco office.

Mr. Ritsema joined G.A.B. in 1943 at Los Angeles. He has served at Pasadena and was promoted to adjuster in charge at Santa Monica in 1947.

THE HOUSE ON THE MOUND

HOME OF COL. H. L. DOUSMAN, *Wisconsin Pioneer*



THE prehistoric race of mound builders were perhaps the first of the long procession of men—explorers, soldiers, fur traders, missionaries, adventurers—who knew the site of Prairie du Chien. On one of the mound builders' strange earthworks, subsequently used as a tribal burying ground by the Fox Indians, American troops erected a crude stockade to protect their interests in the remote Northwest Territory during the War of 1812. It was called Fort Shelby and here in June, 1814 the American flag was raised for the first time "over any building in what is now Wisconsin." Captured by the British and renamed Fort McKay, it was burned by the Indians after its evacuation at the end of the war.

Fort Crawford, built on the same spot in 1816, was the scene of an outstanding event in medical history. Dr. William Beaumont here made his famous studies of digestion by observing Alexis St. Martin, a half-breed who had been wounded in such a manner that a permanent opening remained in the wall of his stomach.

After the removal of Fort Crawford to a new location, the land was acquired by Col. Hercules Louis Dousman, one of Wisconsin's great pioneers, who in 1843 completed



The drawing room has a crystal chandelier of antique Waterford glass

what he called "the house on the mound." In sharp contrast to the forts which had preceded it, the Villa Louis, as it came to be known, was a luxuriously furnished mansion where Dousman and his charming wife entertained on a lavish scale

Born in Mackinac in 1800, Dousman was one of the most important agents in John Jacob Astor's fur company and from his headquarters at Prairie du Chien controlled fur trade with the Indians over a vast territory. He also helped develop steamboat transportation on the upper Mississippi and was the owner of several packets, later lending finan-



cial aid to the introduction of railroads. Besides the business acumen which enabled him to amass a fortune, Dousman had great influence with the Indians, and knew several of their languages. His tactful arbitration was often responsible for averting violent outbreaks.

After the Dousmans' death, their only child, Hercules L. Dousman II, used the estate for breeding race horses. Known as the Artesian Stock Farm, it had its own cork race track.

In 1935, the estate was deeded by the Dousman heirs to the city of Prairie du Chien and has been developed as Dousman Municipal Park. Through gifts from members of the Dousman family "the house on the mound" has been furnished with many of its original appointments and appears much as it did in the days when a pioneer lived side by side with the Indians.

* * *

The Home, through its agents and brokers, is America's leading insurance protector of American homes and the homes of American industry.

☆ THE HOME ☆
Insurance Company

Home Office: 59 Maiden Lane, New York 8, N. Y.
FIRE • AUTOMOBILE • MARINE
The Home Indemnity Company, an affiliate, writes
Casualty Insurance, Fidelity and Surety Bonds

Copyright 1950, The Home Insurance Company

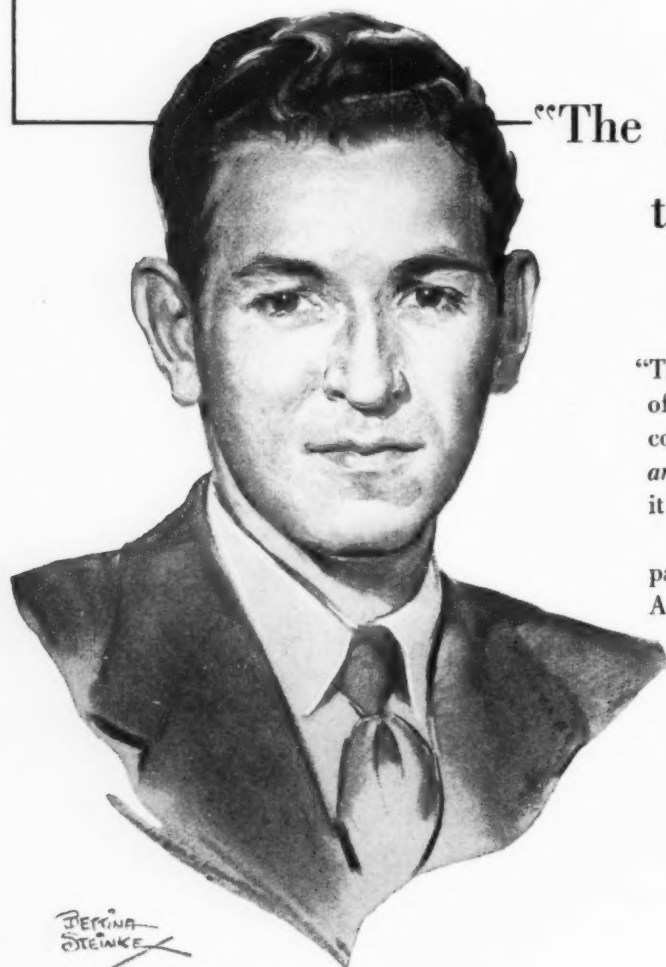


A graduate of Duke University

with no previous insurance experience, Clay Conner entered the Aetna's Home Office Casualty and Surety Sales Course in June, 1943. Five tough weeks later, he returned to his home in Indianapolis, prepared to start his career as a general insurance agent.

One of his first solicitations

was a cold-canvass call on a businessman who was thought to offer good possibilities for development. No sale was made but a contact was established. During the next few months, Clay called on him regularly, discussing the many advantages of insurance programing. As a result of these discussions, the prospect's confidence in Clay's knowledge and ability steadily increased, and before the year was out, Clay was entrusted with the entire account, with premiums totaling \$3,000.



"The Aetna Sales Course has what it takes to make a Salesman"

— says CLAY CONNER, JR., Aetna-izer
Indianapolis, Indiana

"The five weeks that I spent in Hartford under the supervision of the instructors in the Aetna's Sales Course gave me the confidence, understanding and knowledge to solicit, present *and sell* insurance successfully. The Course was rough while it lasted but it has what it takes to make a salesman.

"As an illustration, while attending the Course, I participated in a contest designed to determine the best salesman of Accident Insurance in the class. In this contest, I did not win, place or even show, but after returning to Indianapolis, I sold \$1,100 in Accident premiums my first year.

"Selling insurance today is not 'policy selling'. The successful agent today must be able to establish a plan or a program for *all* the needs of his clients. This requires knowledge — up-to-date *expert* knowledge. That is what the Sales Course gave me."

ÆTNA CASUALTY AND SURETY COMPANY

The Aetna Life Affiliated Companies write practically every form of insurance and bonding protection
LIFE AND CASUALTY FIRE AND MARINE

Aetna Life Insurance Company
Aetna Casualty and Surety Company



Automobile Insurance Company
Standard Fire Insurance Company

Hartford 15 Connecticut